

First Capital Mutual Fund August 2023

MUFAP's Recommended Format

Fund Type	Open End
Category	Equity
Launch date	8 January 1995*
Net Assets	96,334,902
NAV	6.5699
Benchmark	KSE-100 index
Dealing Days & Cut-off time	Mon to Fri (9:00am to 3:00pm)
Pricing Mechanism	Forward
Management Fee	2%
Front-end Load	Upto 2%
Back-end Load	Nil
Trustee	CDC of Pakistan Ltd.
Auditor	Junaidy Shoaib Asad Chartered Accountants
Asset Manager Rating-28 April' 17	AM4++ from 'PACRA'
Risk Profile of the Fund	High
Total Expense Ratio (Annualized)	3.76% (including 0.47% government levies)
Expense Ratio (Monthly)	3.73% (including 0.43% government levies)
Leverage	Nil

Sector Allocation (% of Total Assets)	August 2023	July 2023
Oil & Gas Marketing Com.	7.20%	8.17%
Oil & Gas Exploration Com.	10.80%	10.87%
Commercial Banks	15.37%	15.48%
INV. Banks / INV. COS. / Securities COS.	8.28%	7.67%
Fertilizer Sector	7.15%	6.91%
Others	24.02%	25.05%

Asset Allocation (% of Total Assets)	August 2023	July 2023
Equities	72.82%	74.15%
Equity (Future)	0.00%	0.00%
Cash	22.25%	21.23%
Others including receivables	4.93%	4.62%

Market Review: The month of August, KSE-100 index (the benchmark) decreased by 6.31%. The financial year started on a positive note as the government secured a facility of USD 3bn from the IMF. However, the excitement soon distressed as political uncertainty returned to the forefront as it became clear elections would be delayed which dampened sentiments. This coupled with market based exchange rate as agreed with the IMF led the PKR hit a historic low, closing at PKR 305.5 against the USD. The depreciation of PKR fueled inflation expectations leading to higher energy and food prices. Slippages on inflation front can lead to further monetary tightening in the near term and having negative implication for fiscal and growth numbers.

During the month Auto Assemblers, Auto Parts & Access., Banks, Fertilizers, Food & Personal Care, Leather & Tanneries, Sugar & Allied Industries, Tobacco and Transport sectors outperformed the market. On flip side, Cable & Elec. Good, Chemicals, Engineering, Glass & Ceramics, Insurance, Miscellaneous, Oil & Gas Marketing Companies, Paper & Board and Communication sectors underperformed the market. Foreign investors remained net seller with an outflow of US\$ 0.34 million during the month under review, compared to an inflow of US\$ 18.15 million in the previous month.

Investment Objective: The objective of First Capital Mutual Fund is to augment wealth of investors through investments geared towards securing maximum returns while simultaneously offsetting resultant risks through efficient diversification across sectors with low correlation amongst them. The management of the fund is continuously striving towards achieving its objective.

Investment Committee

Mr. Imran Hafeez	Chief Executive Officer
Syed Asad Abbas Ali Zaidi	Chief Financial Officer
Syed Ghazanfar Ali Bukhari	Chief Investment officer/ Fund Manager

Fund Returns		
	First Capital Mutual Fund	Benchmark
Year to date (YTD)	7.36%	8.56%
Trailing One Year	1.07%	6.26%
One Month Return	-7.46%	-6.31%
FY 2023	-3.18%	-0.21%
FY 2022	-22.51%	-12.28%
FY 2021	37.81%	37.58%
FY 2020	1.87%	1.53%
FY 2019	-32.74%	-19.11%
Since Inception**	1.30%	7.78%

Top Ten Stocks (% of Total Assets)	August 2023	July 2023
Pak. State Oil Ltd.	5.08%	5.89%
First Capital Equities Ltd.	8.16%	7.57%
Oil & Gas Develop. Co. Ltd.	5.20%	5.12%
Engro Corp. Ltd.	4.80%	4.59%
Habib Bank Ltd.	3.72%	3.49%
MCB Ltd.	3.32%	3.51%
Pak. Petroleum Ltd.	3.22%	3.51%
Pak Oilfields. Ltd.	2.24%	2.11%
United Bank Ltd.	4.40%	4.46%
Millat Tract. Ltd.	2.15%	1.79%

Fund Commentary: During the month under review, First Capital Mutual Fund's NAV has decreased by 7.46% as compared to decrease of 6.31% in KSE-100 (the benchmark), thus underperformed the benchmark.

2. For investors complaints to SECP: <https://sdms.secp.gov.pk>

Name of Non-compliant investment	Type of investment	Requirement	As per said criteria
Breach of Minimum Fund Size Limit	-	This is with reference to the Regulation 54 which states that: 3(a). "The minimum size of an Open End Scheme shall be one hundred million rupees at all times during the life of the scheme".	Reference to Regulation 54-3(b) which states that: (3b) Subject to sub-regulations (3a) after the initial public offering or subsequently at any time if the size of any Open End Schemes falls below that minimum size specified in sub regulation (3a) the asset management company shall ensure compliance with the minimum fund size within three months of its breach

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Performance Data does not include the cost incurred directly by an investor in the form of sales load etc. The performance reported is net of management fee & all other expenses and based on dividend reinvestment gross of with-holding tax where applicable

*Converted into open end fund as on 30 July 2013

** Last 10 Years average annualized