



Rating Action

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PACRA ASSIGNS POSITIVE OUTLOOK TO ENTITY RATINGS OF FIRST CAPITAL EQUITIES LIMITED

The Pakistan Credit Rating Agency (PACRA) has maintained the long-term and short-term entity ratings of First Capital Equities Limited (FCEL) at “A” (Single A) and “A1” (A One), respectively. Meanwhile, PACRA has assigned a positive outlook to these ratings. The ratings denote a low expectation of credit risk emanating from a strong capacity for timely payment of financial commitments.

The ratings reflect FCEL’s continuously improving performance emanating from its core brokerage business. The ratings also take into account the company’s extensive branch network, the management’s initiatives to improve its risk management systems and IT infrastructure and FCEL’s distinctive strategy of focusing on retail investors. Meanwhile, the company’s association with an established business group continues to be a key rating factor.

About the company: FCEL, incorporated in 1995, is listed on the Lahore Stock Exchange and is a subsidiary of First Capital Securities Corporation Limited (FCSC) (67.4% shareholding). FCSC, a leading investment and financial services company and listed on all three stock exchanges of the country, serves as the main holding company for the First Capital Group. The Group has established presence in financial, insurance, media and telecommunication, and real estate sectors. The main sponsors of the Group include Mr. Sulieman Ahmed Said Al-Hoqani (an Omani investor with substantial investments in Pakistan) and Mr. Salmaan Taseer and associates.

FCEL is also the local affiliate of Auerbach Grayson (AG), an international brokerage house based in the USA with presence in about 100 different markets. The company has strengthened its association with AG in terms of collaboration in research and personnel training.

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PACRA’s comprehensive offerings include instrument and entity credit ratings, insurer financial strength ratings, fund ratings, asset manager ratings and real estate gradings.

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