

UBL Liquidity Plus Fund (ULPF)**Managed By: UBL Fund Manager Limited****Fund Stability Rating****Latest Rating****AA+(f)****29-Dec-23****What is Fund Stability Rating**

Fund Stability Rating (FSR) is a measure used to assess the stability and risk associated with a mutual fund or investment portfolio. The stability rating combines a comprehensive quantitative evaluation of the fund's portfolio with a qualitative assessment of fund management. This rating offers investors an impartial gauge of the primary areas of risk that income funds may face, including credit risk, liquidity risk, and interest rate risk.

Fund Information

Auditor	Yousuf Adil Chartered Accountants
Trustee	Central Depository Company of Pakistan Limited
Front-end Load	Nil
Back-end Load	Nil
Benchmark	70% Average of 3M PKRV rates + 30% 3M average deposit rate of three 3 AA rated scheduled Banks as selected by MUFAP
MQR Rating	AM1 (VIS)
Mgt. Fee	Upto 2% of daily net assets not to exceed max. TER regulatory limit

Fund Overview

UBL Liquidity Plus Fund (the Fund) is an open-ended, money market fund constituted under a Trust Deed entered into on June 21, 2009, between UBL Fund Managers Limited as the Management Company and Central Depository Company of Pakistan Limited (CDC) as the Trustee.

Investment Objective

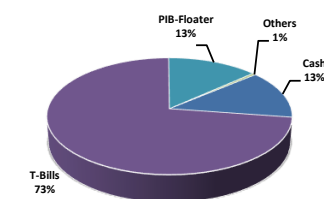
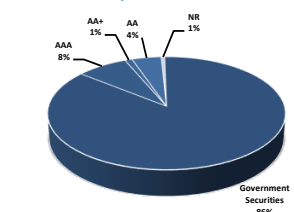
The investment objective of the Fund is to provide its unit-holders competitive returns from a portfolio of low risk, short duration assets while maintaining high liquidity.

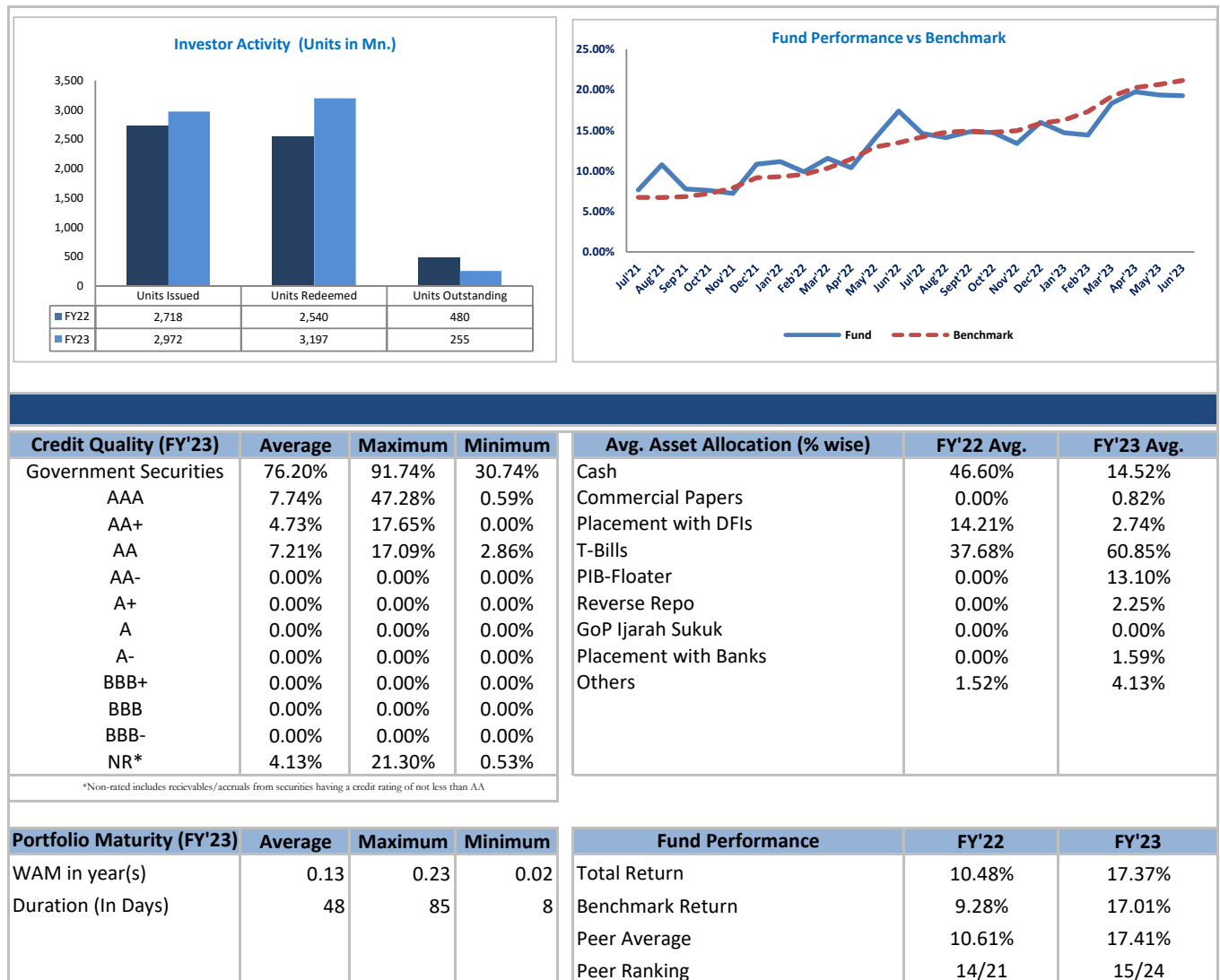
Offering Document (Extract)

Description	Minimum rating	Min- Max Limits
Cash in bank accounts (excluding TDRs) and readily convertible T-Bills	GoP/AA or above	20%-100%
Government Securities (PIB, T-Bills, Ijara Sukuk etc.)	GoP	0%-100%
Deposits in Current, Savings and PLS accounts in commercial or Schedule banks	AA	0%-100%
Term Deposits (TDRs) and Clean Placements with commercial banks	AA	0%-80%
Deposits (Current/ Saving / PLS accounts, Term deposits), Certificate of Deposits (CODs), Certificate of Investments (COIs), Certificate of Musharika with Financial Institutions	AA	0%-25%
Certificate of Deposits (CODs), Certificate of Investments (COIs), Certificate of Musharika with NBFCs and Modarabas	AAA	0%-25%
Placements and Certificate of Investment (COI) with DFIs	AA	0%-70%
Reverse Repo against Government Securities or such other allowable securities, in accordance with the regulations	GoP/AA or above	0%-70%
Foreign Investments (in authorized money market instruments and other money market funds) subject to prior approval of SECP	AA (rated by reputed International Rating Agency)	0%-Up to 30% subject to a cap of \$15,000,000 or such limit or cap imposed by SECP or SBP
Any Other investment as authorized by the commission from time to time	AA	0%-70%
Short Term Sukuk and/or Commercial Papers of Corporate Entities	AA	0%-20%

Net Assets

	Jun'21	Jun'22	Jun'23
Net Assets (In PKR' Millions)	30,494	48,583	25,846

Asset Allocation - Jun'23**Credit Quality - Jun'23**



Fund Stability Analysis

The UBL Liquidity Plus Fund has been assigned a fund stability rating of AA+(f). This rating indicates a high degree of stability in the net asset value of the fund, with modest risk that may vary slightly due to changing economic conditions.

Asset Allocation:

As of June 2023, the Assets Under Management (AUM) of the fund have declined to Rs. 25.8b (June'22: 48.6b). The fund remained compliant with the stipulation dictated for asset allocation in the Offering Document(OD). Other major investments includes T-Bills (60.9%) and PIB-Floaters (13.1%).

Credit Quality:

The credit quality of the portfolio is also within the guidelines stipulated in our methodology for the assigned rating of AA+(f). The fund also adheres to the Offering Document requirement of minimum investment in AA rated instrument. The majority of the fund's investments are in government securities and AAA rated securities, indicating a low credit risk.

Market and Liquidity Risk:

During FY23, the fund's Weighted Average Maturity (WAM) consistently stayed below the maximum limit of 90 days as per the fund's Investment policy. The highest WAM observed during this period was in March 2023, reaching 85 days. AUMs of the fund is dominated by unrelated corporates, accounting for 74.8%. Top 10 investor concentration has decreased as of June'23, recorded at 47.6% (June'22: 56.0%) with further room for improvement.

Fund Performance:

The fund's return (17.37%) has outpaced its benchmark return (17.01%) while closely lagging its peer average (17.41%). Relative to peers, the fund is positioned in the third quartile.

Financial Snapshot

BALANCE SHEET	FY22	FY23
Paid Up Capital	N/A	N/A
Total Equity	N/A	N/A
INCOME STATEMENT	FY22	FY23
Total Income	2,988.0	5,372.0
Profit Before Tax	2,946.9	5,026.3
Profit After Tax	2,946.9	5,026.3
RATIO ANALYSIS	FY22	FY23
Current Ratio (x)	N/A	N/A
Gearing (x)	N/A	N/A
FFO	N/A	N/A

Regulatory Disclosures			
Name of Rated Fund	UBL Liquidity Plus Fund	Sector	Mutual Funds
Type of Relationship	Solicited	Purpose of Rating	Fund Stability Rating (FSR)
Rating History			
Rating Type	Rating Date	Medium to Long Term	Rating Action
Fund Stability	29-Dec-23	AA+(f)	Reaffirmed
Fund Stability	29-Dec-22	AA+(f)	Reaffirmed
Fund Stability	13-Jan-22	AA+(f)	Reaffirmed
Fund Stability	6-Jan-21	AA+(f)	Upgrade
Fund Stability	31-Dec-19	AA(f)	Reaffirmed
Statement by the Rating Team	VIS, the analysts involved in the rating process and members of its rating committee do not have any conflict of interest relating to the credit rating(s) mentioned herein. This rating is an opinion on credit quality only and is not a recommendation to buy or sell any securities.		
Probability of Default	VIS' ratings opinions express ordinal ranking of risk, from strongest to weakest, within a universe of credit risk. Ratings are not intended as guarantees of credit quality or as exact measures of the probability that a particular issuer or particular debt issue will default.		
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Rating Methodology	https://docs.vis.com.pk/docs/FundstabilityRating.pdf		
Rating Scale	https://docs.vis.com.pk/docs/VISRatingScales.pdf		

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