

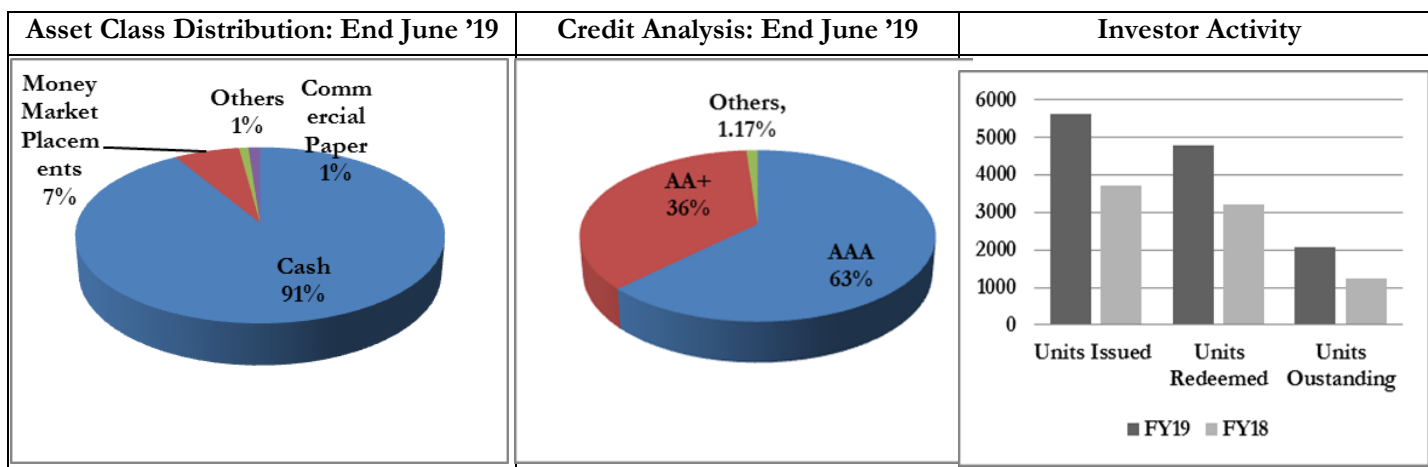
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Investment Objective

To provide investors, with consistent returns with high level of liquidity, through a blend of money market and sovereign debt instruments

ABL Cash Fund		
Rating Category	Latest	Previous
Fund Stability Rating	AA+(f) 20 Jan 2020	AA(f) 16 Jan 2019
Management Company	ABL Asset Management Company Limited (ABL AMC)	
Chief Executive	Mr. Alee Khalid Ghaznavi	
Fund Manager	Mr. Fahad Aziz	
Trustee	Central Depository Company of Pakistan Limited	
Front-end Load	Nil	
Back-end Load	Nil	
Management Fee	10% of gross earnings subject to a minimum fee of 0.75% and a maximum fee of 1.00% of average daily net assets	
Benchmark	70%-Avg of 3M PKRV rates + 30% 3M Avg Deposit Rate of 3 AA rated banks	



ABL Cash Fund (ABL-CF) was launched in 2010, operating as an open end money market fund. The fund is managed by ABL AMC which has a management quality rating of ‘AM2++’ by (VIS) denoting very good management quality.

During the year net assets of the fund manifested a significant increase of 21.2b as of the preceding year they stood at 13.2b at end-FY18. Fund size has subsequently increased to Rs. 25.7b at end-Nov’19.

In order to cater to its mandate, the fund maintains low exposure to risk. Consequently, pre-defined limits have been stated in order to limit deployment in different asset classes.

The fund’s average T-Bill exposure decreased to 28% (FY18: 58.27%) while major parking of investments were concentrated in cash placements amounting to 91% at end-June’19. Remaining chunk of investment portfolio was concentrated in Money Market placements and government paper at year-end.

Table 2: Asset allocation summary

	End-June FY19	End-June FY18	Avg. FY19	Limit
Cash	91.37%	99.59%	65%	0-100%
Placement with banks (TDRs)	0%	0%	4%	0-75%
T-Bills	0%	0%	28%	0-100%
Others including receivables	1.17%	0.41%	3%	-
Commercial Papers	0.93%	0%	1%	0-10%
Money Market Placements	6.54%	0%	9%	0-75%
Government Securities	0%	0%	0%	0-100%

On average, exposure to 'AA' rated counterparties decreased to 1.0% (FY18:19.2%) of total assets during FY18.

Barring two instances in Jul'18 and Jan'19 the fund complied with VIS's criteria and the specified limits stated in the Investment Policy Statement (IPS) The fund preserved 62.7% of its resources and 34% in AA+ rated avenues at end-Jun'19.

Table 3: Credit quality summary FY19

	Average	Maximum	Minimum
Government Securities	38%	99.4%	0.2%
AAA	24.3%	87.9%	0.0%
AA+	47.6%	96.7%	0.0%
AA	1%	2.1%	0.0%
Others	3.4%	24.4%	0.1%

The Weighted Average Maturity (WAM) of the fund is capped at 90 days for the purpose of countering any adverse movement in the benchmark rate. Moreover, the fund is prohibited from investing in any asset possessing maturity of higher than 6 months. During the year maximum and minimum WAM was reported at 62.9 and 1 day(s) respectively. There was no breach in the WAM of the fund.

Table 4: Market risk summary FY18

	Average	Maximum	Minimum
WAM	15.03	62.9	1

Performance of the fund was benchmarked against an equally weighted average of 3 month bank deposit rate (AA rated or above) and 3 month PKRV rates. Peer rankings of the fund stood at 3 out of a total of 20 funds for FY19 (FY18: 7 out of 22). Rankings stood at 3/20 at end-Nov'19.

Table 5: Performance summary

Performance	Nov'19	FY19	FY18
Total Return	12.09%	9.02%	5.41%
Benchmark Return	12.71%	8.71%	5.35%
Relative Ranking	3/20	3/20	7/22

Total number of investors witnessed a significant increase of 3543 (FY18: 2133) at end-FY19. Retail portion of the fund steadily increased from 14% at end-FY18 to 17% at end-FY19 remaining 81% of investment comprises unrelated corporates, investment by associates has been historically low.

Rating History

Rating Date	Medium to Long Term	Outlook	Short Term	Rating Action
<u>RATING TYPE: Fund Stability Management Quality</u>				
20-Jan-20	AA+(f)			Upgraded
16-Jan-19	AA(f)			Reaffirmed
16-Jan-18	AA(f)			Reaffirmed
30-Dec-16	AA(f)			Reaffirmed
31-Dec-15	AA(f)			Reaffirmed
13-Aug-14	AA(f)			Reaffirmed
17-Jan-13	AA(f)			Downgrade
06-Apr-12	AA+(f)			Harmonized
31-Dec-11	AA+(f)			Reaffirmed

<u>BALANCE SHEET</u>	FY18	FY19
Paid Up Capital	N/A	N/A
Total Equity	N/A	N/A
<u>INCOME STATEMENT</u>		
Total Income	902	1,883
Profit Before Tax	741	1,646
Profit After Tax	741	1,646
<u>RATIO ANALYSIS</u>		
Current Ratio (x)	N/A	N/A
Gearing (x)	N/A	N/A