

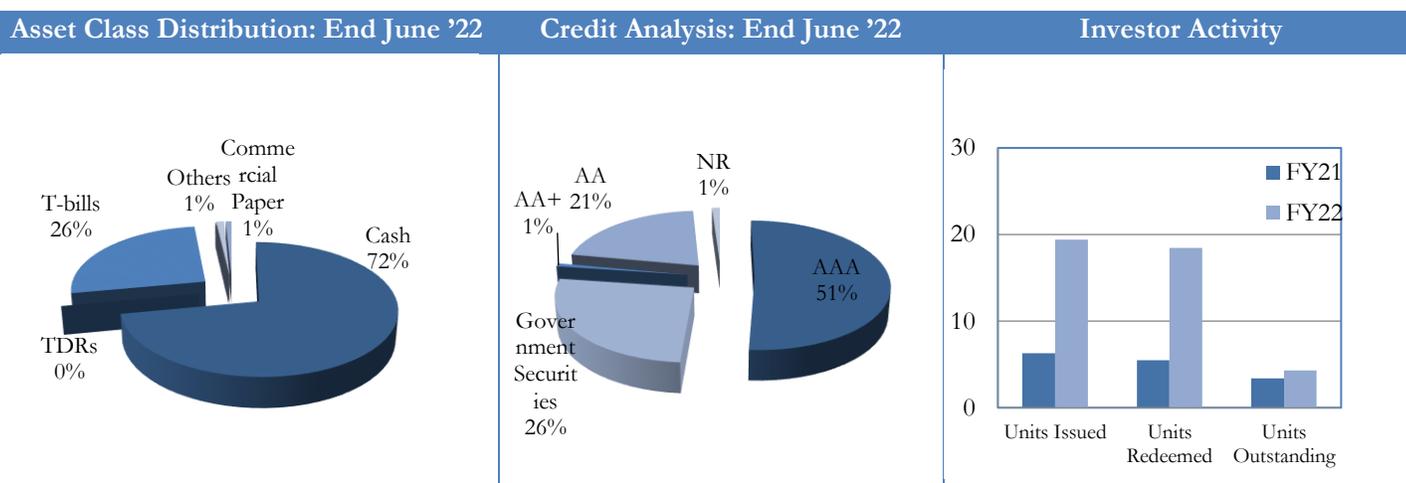
December 30, 2022

Analyst: Syeda Batool Zehra Zaidi

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)	AA+(f)
	Dec-30'22	18-Jan, '22
Asset Management Company	ABL Asset Management Company (ABL AMC)	
External Auditors	Ernst & Young Chartered Accountants	
Trustee	Central Depository Company	
Management Fee	Management Fee charged for the Month is 0.25% p.a. of Net Assets.	
Front-end Load	Up to 0.75%	
Back-end Load	Nil	
Benchmark	70%-Avg of 3M PKRV rates + 30% 3M Avg Deposit Rate of 3 AA rated banks	



ABL Cash Fund (ABL-CF) is an open-ended money market fund launched in 2020, with an aim to provide high liquidity options to its investors through deploying assets in short-term and sovereign instruments.

Investment Committee (IC) comprises key personnel from top management along with representatives from investment and risk management department.

Fund size registered significant growth with net assets closing at Rs. 45b (FY21 Rs. 34.8b) Growth momentum has continued with fund size increasing to Rs. 64b end-October'22 registering a 66% growth since FY21.

Table 2: Asset allocation summary

	Minimum Rating	Min-Max Limits
Government Securities	N/A	0-100%
Cash in Bank Accounts	AA	0-100%
Bank Deposits	AA	0-75%
Letter of Placement (LoP), Certificate of Deposits/Investments (COD/I) and Certificate of Musharika (COM) with any NBFC and Modaraba	AA	0%-25%
Any investment, which is an Authorized Investment under the Trust Deed or by the Commission	AA	30%

Asset Allocation

Table 2: Asset Class Distribution

	Average June'21	Average June'22	Oct'22
Cash	32%	57%	8%
TDRs	0%	2%	0%
T-bills	46%	30%	91%
Commercial Paper	0%	1%	1%
Money Market Placements	17%	2%	0%
Bank Deposits & Placements	3%	6%	0%
Others	1%	2%	0.3%

During FY22, on a month on month average basis, the fund managed to park majority of its assets in T-bills and cash balances. Remaining part of investment portfolio was concentrated in bank deposits and placements, TDRs and marginally in commercial paper. The fund's asset allocation plan majorly complied with the the requisites of its IPS.

Table 3: Credit quality summary FY22

	Average	Maximum	Minimum
AAA	30%	89%	0%
Government Securities	29%	86%	0%
AA+	33%	87%	1%
AA	8%	41%	0%
Others	1%	5%	0%

In order to cater to its mandate, the fund can not take exposure below 'AA' rated issue/issuer. On average, the fund took 59% exposure in 'AAA' rated counterparties, 33% in 'AA+' and 8% in 'AA' rated instruments, thus remaining compliant with the requisites of the fund's offering document.

Market Risk:

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. During the year maximum and minimum WAM was reported at 88 and 1 day(s) respectively. There was no breach in the WAM of the fund.

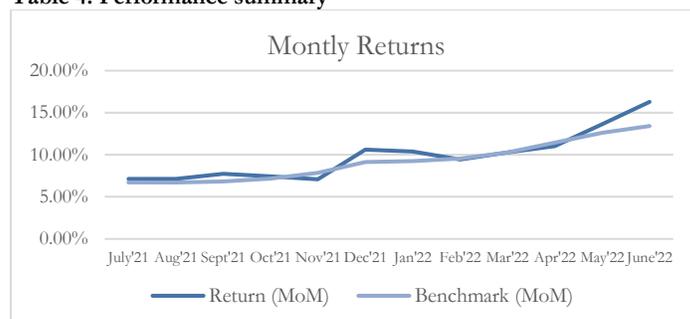
Liquidity Profile:

During FY22, majority of the fund's assets were placed in liquid placements, 57% of the assets were deployed in cash and 30% in T-bills, depicting sound ability to meet redemptions. Total number of investors witnessed a significant increase of 5,752 (FY21: 4,326) at end-FY22, 97% investors are retailers while remaining are associates and corporates. During FY22, top-10 investor concentration of the fund improved to 51% (FY21 70%).

Fund Performance:

Performance of the fund is benchmarked against an equally weighted average of 3 month bank deposit rate (AA rated or above) and 3 month PKRV rates. During FY22, the fund out-performed its benchmark. However, against peer average, the fund underperformed and ranked lower among peers. The fund ranked at 16 of 21 compared to 8 of 21 last year, depicting performance deterioration.

Table 4: Performance summary



Performance	FY21	FY22
Total Return	6.91%	10.31%
Benchmark Return	6.71%	9.27%
Relative Ranking	8/21	16/21
Peer Average	12.58%	10.61%

<u>BALANCE SHEET</u>	FY21	FY22
Paid Up Capital	N/A	N/A
Total Equity	N/A	N/A
<u>INCOME STATEMENT</u>		
Total Income	2,360	3,359
Profit Before Tax	2,130	3,212
Profit After Tax	2,130	3,212
<u>RATIO ANALYSIS</u>		
Current Ratio (x)	N/A	N/A
Gearing (x)	N/A	N/A

ISSUE/ISSUER RATING SCALE & DEFINITIONS

Appendix I

VIS Credit Rating Company Limited

RATING SCALE & DEFINITIONS: FUND STABILITY RATING SCALE

AAA(f)

Highest degree of stability in NAV. Risk is negligible with very low sensitivity to changing economic conditions

AA+(f), AA(f), AA-(f)

High degree of stability in NAV. Risk is modest but may vary slightly from time to time because of changing economics conditions

A+(f), A(f), A-(f)

Moderate degree of stability in NAV. Risk factors may vary with possible changes in the economy

BBB+(f), BBB(f), BBB-(f)

Adequate degree of stability in NAV. Risk factors are considered variable if changes occur in the economy

BB+(f), BB(f), BB-(f)

Low degree of stability in NAV. Risk factors are sensitive to changes in the economy

B(f)

Very low degree of stability in NAV. Risk factors are capable of fluctuating widely if changes occur in the economy

The FSR scale of AAA to B is appended by the letter (f) to denote fund ratings and to differentiate it from the nomenclature used for issue and issuer ratings.

FSRs may be placed under 'Rating-Watch' if VIS views that the status of the assigned rating is uncertain and there are conditions present that necessitate re-evaluation of the assigned rating. VIS also designates direction, Positive, Negative or Developing, to ratings placed under 'Rating-Watch'. This shows VIS's opinion regarding the likely direction of a rating. Developments in factors other than those that necessitated the 'Rating-Watch' may result in a rating change, while the rating continues to be placed under 'Rating-Watch'.

REGULATORY DISCLOSURES		Appendix		
Name of Rated Fund	ABL Cash Fund			
Sector	Mutual Funds			
Type of Relationship	Solicited			
Purpose of Rating	Fund Stability Rating (FSR)			
Rating History	Rating Date	Medium to Long Term	Outlook	Rating Action
	30-Dec-22	AA+(f)		Reaffirmed
	18-Jan-22	AA+(f)		Reaffirmed
	31-Dec-20	AA+(f)		Reaffirmed
	31-Jan-20	AA+(f)		Upgraded
	16-Jan-19	AA(f)		Reaffirmed
Instrument Structure	N/A			
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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