

UBL Money Market Fund (UMMF)**Managed By: UBL Fund Managers 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	A.F. Ferguson & Company
Trustee	Central Depository Company of Pakistan Limited
Front-end Load	Upto 1%
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
Mgt. Fee	Upto 2% of daily net assets not to exceed max. TER regulatory limit.

Fund Overview

UBL Money Market Fund (the Fund) is an open-end money market fund constituted under a Trust Deed entered into on October 14, 2010, between UBL Fund Managers Limited as the Management Company and Central Depository Company of Pakistan Limited (CDC) as the Trustee.

Investment Objective

To generate competitive returns within a low risk portfolio to provide a regular stream of income and easy liquidity to its investors by investing a major chunk of the portfolio in short term government securities.

Offering Document (Extract)

Description	Minimum rating	Min- Max Limits
Cash in bank accounts (excluding TDRs) and readily convertible T-Bills	GoP/AA and above	20%-100%
Government Securities (PIB, T-Bills, Ijara Sukuks etc)	GoP	0%-100%
Deposits in Current, Savings and PLS accounts in commercial banks	AA	0%-100%
Deposits in Current, Savings and PLS accounts in scheduled banks	AA	0%-100%
Term Deposits (TDRs) and Clean Placements with commercial banks	AA	0%-70%
Term Deposits (TDRs) and Clean Placements with scheduled banks	AA	0%-70%
Deposits (Current / Saving / PLS accounts, term deposits), Certificate of Deposits (CODs), Certificate of Investments (COIs), Certificate of Musharka with Microfinance Banks	AA	0%-20%
Certificate of Deposits (CODs), Certificate of Investments (COIs), Certificate of Musharka with NBFCs and Modarabas	AAA	0%-20%
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 and above	0%-70%
Foreign Investments (in authorized money market instruments and other money market funds) subject to prior approval of SECP	AA rated by a 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
Commercial Papers	AA (entity rating)	0%-20%
Any Other investment as authorized by the commission from time to time	AA	0%-30%

Net Assets

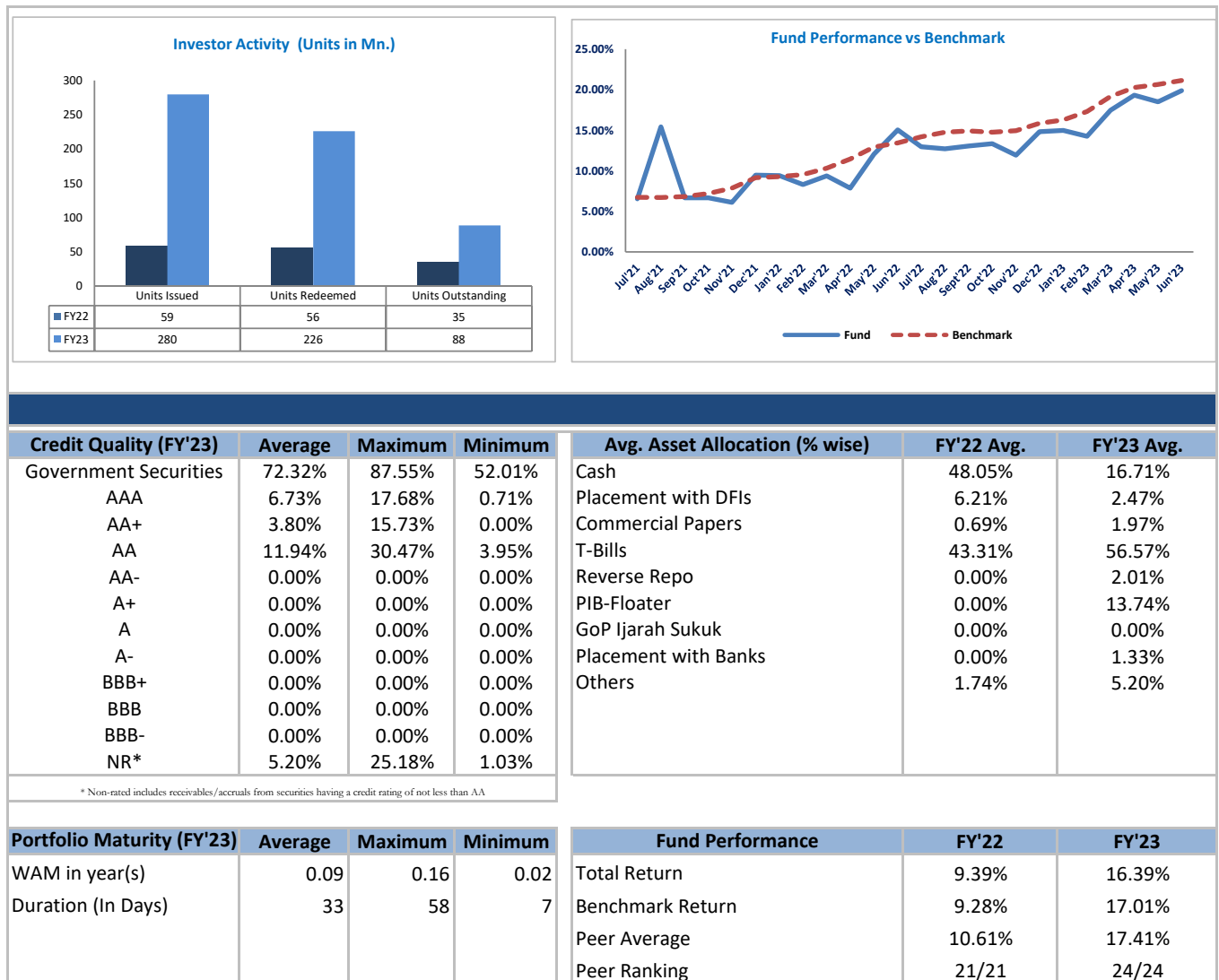
	Jun'21	Jun'22	Jun'23
Net Assets (In PKR' Millions)	3,142	3,482	8,894

Asset Allocation - Jun'23

Category	Percentage
PIB-Floater	19%
T-Bills	67%
Cash	13%
Others	1%

Credit Quality - Jun'23

Category	Percentage
Government Securities	86%
AAA	9%
AA	4%
NR	1%



Fund Stability Analysis

The UBL Money Market Fund has been assigned a rating of AA+(f) for fund stability. 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:

Asset Under Management (AUMs) of the fund has augmented to Rs. 8.9b (June'22: Rs. 3.5b) as at June'23. The fund remained compliant with the asset allocation parameters stipulated in the Offering Document (OD). The fund's major asset allocation remains within T-Bills (56.6%), Cash (16.7%) and PIB-Floater (13.7%) on monthly average basis during FY23.

Credit Quality:

The fund's asset allocation aligns with the parameters identified in the offering document, with a major chunk of the portfolio invested in government securities (72.3%) on average basis during FY23. Additionally, the credit risk criteria of the fund falls within the guidelines stipulated in the VIS methodology for the assigned rating.

Market and Liquidity Risk:

Weighted Average Maturity (WAM) of the fund is capped at 90 days, which remained within the specified limit during FY23. The fund's size is dominated by retail investors (95.3%) with top 10 investors contributing 28.4% of the AUMs as of June'23.

Fund Performance:

The fund has underperformed relative to benchmark return and peer average while placed in the fourth quartile relative to peers.

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	313.5	1,228.9
Profit Before Tax	285.0	1,111.1
Profit After Tax	285.0	1,111.1
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 Money Market 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 Rating	29-Dec-23	AA+(f)	Reaffirmed
Fund Stability Rating	30-Dec-22	AA+(f)	Reaffirmed
Fund Stability Rating	13-Jan-22	AA+(f)	Reaffirmed
Fund Stability Rating	6-Jan-21	AA+(f)	Upgrade
Fund Stability Rating	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.		
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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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