

Askari Sovereign Yield Enhancer (ASYE)

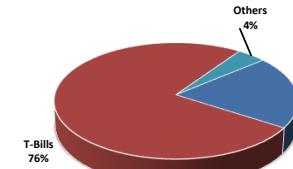
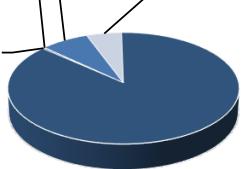
Managed By: Pak Oman Asset Management Company Limited

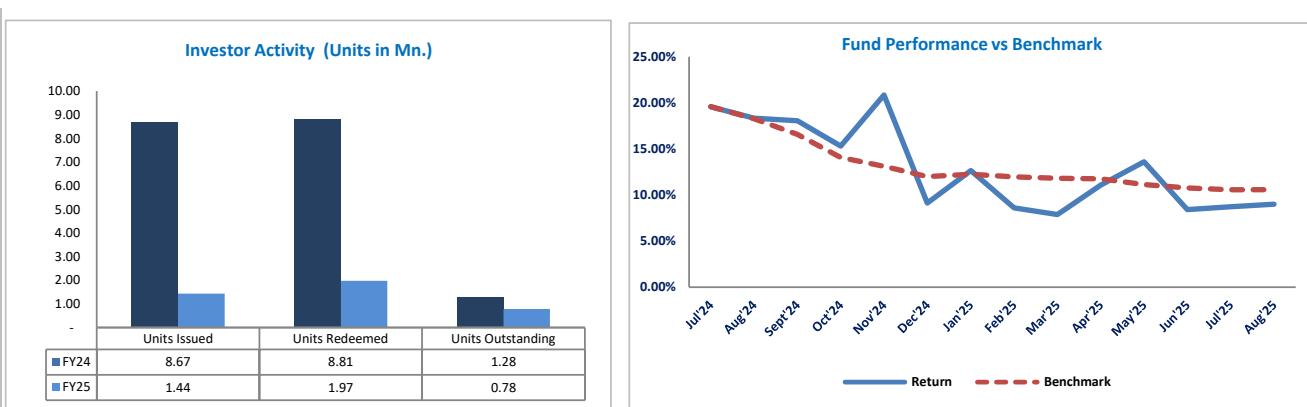
Fund Stability Rating**Latest Rating****AA-(f)****2-Jan-26****What is Fund Stability Rating**

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		Fund Overview
Launch Date	December 09, 2011	Askari Sovereign Yield Enhancer (the Fund) is an open-ended Income scheme constituted under a Trust Deed entered into on December 09, 2011, between Pak Oman Asset Management Company Limited as the Management Company and Central Depository Company of Pakistan Limited (CDC) as the Trustee.
Fund Type	Open-End	
Category	Income Scheme	
Risk Profile	Medium	
Auditor	S.M. Suhail & Company	
Trustee	Central Depository Company of Pakistan Limited	
Front-end Load	0.0125	
Back-end Load	Nil	
Benchmark	75% six (6) months KIBOR + 25% six (6) months average of the highest rates on savings account of three (3) AA rated scheduled Banks as selected by MUFAF.	
MQR Rating	AM3++ (PACRA)	
Mgt. Fee	0.50% p.a.	

Offering Document (Extract)		
Description	Minimum rating	Min- Max Limits
Treasury Bills, PIBs and other Government Securities	N/A	70% - 100%
Cash and near cash instruments which include cash in Bank Accounts (excluding TDRs), GOP Ijara Sukuk and Treasury Bills not exceeding 90 days maturity both.	A-	10% - 100%
Term Deposits/placements with Banks Reverse Repo Transactions against Government Securities	A+	0% - 15%
Listed or privately placed Term Finance Certificates/Sukuk issued by Banks	A+	0% - 10%
Subject to SECP or other regulatory approvals, the Scheme may seek to invest in foreign fixed income securities issued, listed or otherwise traded outside Pakistan on such terms, guidelines and direction as may be issued by SECP and the State Bank of Pakistan from time to time	A- or as may be specified by the Commission at the time of approval	0% - 30%
Any investment, which has been authorized by the commission.	A-	0% - 50%

Net Assets													
	Jun'24	Jun'25	Aug'25										
Net Assets (In PKR' Millions)	132	82	67										
Asset Allocation - Aug'25													
 <table border="1"> <tr> <td>T-Bills</td> <td>76%</td> </tr> <tr> <td>Cash</td> <td>20%</td> </tr> <tr> <td>Others</td> <td>4%</td> </tr> </table>			T-Bills	76%	Cash	20%	Others	4%					
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Credit Quality - Aug'25													
 <table border="1"> <tr> <td>Gov Sec / AAA</td> <td>87%</td> </tr> <tr> <td>AA+</td> <td>0.32%</td> </tr> <tr> <td>AA</td> <td>0.09%</td> </tr> <tr> <td>A+</td> <td>7%</td> </tr> <tr> <td>NR</td> <td>6%</td> </tr> </table>			Gov Sec / AAA	87%	AA+	0.32%	AA	0.09%	A+	7%	NR	6%	
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Credit Quality (FY'25)				Average	Maximum	Minimum	Avg. Asset Allocation (% wise)	FY'25 Avg	Aug'25
Gov Sec / AAA		79.20%	90.15%	68.13%			Cash	27.19%	20.25%
AA+		1.93%	5.33%	0.10%			T-Bills	69.04%	75.44%
AA		0.62%	1.70%	0.06%			PIB	0.00%	0.00%
AA-		0.00%	0.01%	0.00%			Ijara Sukuk	0.00%	0.00%
A+		6.33%	18.47%	0.02%			Others	3.78%	4.31%
A		7.73%	26.74%	0.00%					
A-		0.00%	0.00%	0.00%					
BBB+		0.00%	0.00%	0.00%					
BBB		0.00%	0.00%	0.00%					
BBB-		0.00%	0.00%	0.00%					
NR		4.19%	14.91%	0.60%					

*Non-rated includes receivables/accruals from securities having a credit rating of not less than A

Portfolio Maturity (FY'25)	Average	Maximum	Minimum	Benchmark	Fund Performance	YTD Jun'25	YTD Aug'25
WAM in year(s)	0.41	0.97	0.01	3.00	Total Return	14.53%	8.90%
Duration (In Days)	150	356	5	N/A	Benchmark Return	13.83%	10.58%
					Peer Average	14.57%	10.95%
					Peer Ranking	36/45	43/49

Fund Stability Analysis

The Askari Sovereign Yield Enhancer fund has been assigned a rating of AA-(f). This indicates a high degree of stability in the net asset value of the fund. The fund's risk is considered modest, although it may vary slightly due to changing economic conditions. The Fund's size contracted to PKR 67m as of Aug'25, reflecting a relatively small portfolio.

Asset Allocation:

While the Fund's allocation to cash has remained within the parameters outlined in the offering document, it fell short of the minimum threshold for T-Bills on certain instances, including Oct'24 and Dec'24. On average, T-Bill allocation in FY25 stood at ~69%, slightly below the benchmark. Cash placements in FY25 averaged ~27% of the Fund's portfolio.

Credit Quality:

During the review period, while the Fund's credit exposures remained within the minimum thresholds prescribed in the offering document, the portfolio composition did not fully align with the VIS methodology for the assigned rating. Investments in A-rated avenues increased, averaging ~7% during FY25. Placements in Government Securities and AAA-rated instruments constituted ~79% of the portfolio, with the balance invested in A+ rated avenues and a negligible exposure to AA and AA-rated instruments.

Management has outlined an operational strategy to cap investments in A+ rated assets at the prescribed limit of 15%, with the remaining portfolio to be allocated to instruments rated above A+. Adherence to this strategy will remain important for the rating.

Market and Liquidity Risk:

During the review period, the Fund's weighted average time to maturity (WAM) remained within the capped threshold of 1,095 days, as specified in the offering document.

The Fund's liquidity profile is assessed as sound, with liquid assets comprising ~96% of the portfolio. The Fund's portfolio is dominated by retail investors, representing ~59% of total investments, while corporate investors and associates contribute ~26% and ~15% of the AUM, respectively. Client concentration risk remains elevated, with the top ten investors accounting for ~98% of the Fund's portfolio.

Fund Performance:

The Fund's YTD return has underperformed its peer average both in FY25 and Aug'25, placing the Fund in the fourth quartile.

Financial Snapshot

	FY24	FY25
BALANCE SHEET		
Paid Up Capital	N/A	N/A
Total Equity	N/A	N/A
INCOME STATEMENT	FY24	FY25
Total Income	44.2	17.2
Profit Before Tax	40.8	14.8
Profit After Tax	40.8	14.8
RATIO ANALYSIS	FY24	FY25
Current Ratio (x)	N/A	N/A
Gearing (x)	N/A	N/A
FFO	N/A	N/A

Regulatory Disclosures			
Name of Rated Fund	Askari Sovereign Yield Enhancer	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	2-Jan-26	AA-(f)	Reaffirmation
Fund Stability	2-Jan-25	AA-(f)	Reaffirmation
Fund Stability	27-Dec-23	AA-(f)	Reaffirmation
Fund Stability	4-Jan-23	AA-(f)	Upgrade
Fund Stability	3-Mar-22	A+(f)	Downgrade
Fund Stability	31-Dec-20	AA-(f)	Upgrade
Fund Stability	26-Nov-19	A+(f)	Reaffirmation
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 Scale	https://docs.vis.com.pk/docs/VISRatingScales.pdf		

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Note: VIS' mutual fund rating is not a recommendation to buy, sell, or hold any fund, in as much as it does not comment as to suitability for a particular investor.