

Date: 8 January, 2021

<b>Analyst:</b>	Arsal Ayub, CFA Batoool Zaidi
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<b>Investment Objective</b>
To provide high liquidity and competitive returns to investors while seeking maximum possible preservation of capital through investment in low risk and Shariah Compliant instruments.

Al-Ameen Islamic Cash Fund (Formerly UBL Islamic Cash Fund)		
Rating Category	Latest	Previous
Fund Stability Rating	<b>AA+(f)</b>	<b>AA(f)</b>
	Jan 1, 2021	Dec 31, 2019
Management Company	UBL Fund Managers Ltd	
Fund Manager	Mr. Syed Sheeraz Ali	
External Auditors - Fund	A.F. Ferguson & Company	
Trustee	Central Depository Company Ltd.	
Front-end Load	Nil	
Management Fee	2.5% of the Gross Earnings subject to a min. fee of 0.15% of net assets and a max. fee of 1% of net assets	
Benchmark	3-month average deposit rates of 3 AA rated Islamic banks or Islamic windows of conventional banks as selected by MUFAP.	

Asset Class Distribution June'20	Credit Analysis June'20	Investor Activity (Units in million)

Al-Ameen Islamic Cash Fund (AICF) was launched in September 2012 (formerly known as UBL Islamic Cash Fund) The funds has been designed to undertake exposure in a blend of short and medium to medium term money market instruments in order to generate competitive returns while strictly following the Islamic Shariah in selection of investments under the supervision of Shariah Advisory Committee.

During FY20, net assets of the fund witnessed a substantial increase closing at Rs. 8b at end-June'20.

**Table 1: Offering Document (extract)**

		Min-Max Limits	Minimum Rating
Cash & equivalents		0%-100%	AA
Shariah compliant debt and money market securities issued by Provincial Government & Local Government	Issued by GoP	0%-70%	AAA
	Issued by Islamic Banks & Islamic Windows of Conventional Banks	0%-50%	AA
	Issued by Public & Private sector entities	0%-25%	AA

Shariah compliant debt and money market securities	Issued by GoP	0%-70%	AAA
	Issue by provincial, local government and autonomous bodies	0%-25%	AA
COM/COD/COI		0%-70%	AA
Placements		0%-50%	AA
Others		0%-50%	AA

### Asset Allocation:

Table 2: Actual Asset Allocation

	FY19	FY20	Average FY20
Cash	88%	88%	95%
Placements with banks	10%	10%	3%
Others	2%	2%	2%

As per the fund's IPS, assets may be deployed in money market instruments and Sukuk, with all issues/issuers subject to minimum rating criteria of 'AA' (Double A). Only exception to this rule include Islamic money market instruments related to NBFCs and Modarabas', which are subjected to a minimum rating of AAA. As per the internal Investment Policy Statement (IPS), the fund is required to allocate a minimum of 10% of net assets to cash or cash equivalents.

During FY20 major proportion of funds was allocated in its cash balances and no breach was witnessed during the period under review.

### Credit Quality:

Table 3: Credit Quality

	Average	Max	Min
AAA	61%	98%	2%
AA+	16%	96%	96%
AA	17%	58%	0%
AA-	4%	22%	0%
A	0%	2%	0%
NR	2%	3%	2%

During FY20, the fund parked 61% of its assets in AAA rated issue/issuer on an average basis, there were no breaches witnessed during the period and the fund complied for the specified requirements of the offering document for the assigned ratings.

### Market Risk:

The fund's Weighted Average Maturity (WAM) is capped at 90 days while single asset maturity may be as high 6 months. The maximum WAM was reported at 5 days at end-June'20 during Exposure to market risk is considered low as over the months AICF's month end has remained under 90 days.

### Fund Performance:

The fund is benchmarked against 3-month average deposit rates of 3 AA- rated Islamic banks or Islamic windows of conventional banks as selected by MUFAP. During FY20 the fund generated an annualized return of 11.28% (FY19: 8.46%) out performing its benchmark of 5.37%. Relative to its peers the fund was ranked 6<sup>th</sup> out of a total of 9 funds.

### Rating History

Rating Date	Medium to Long Term	Outlook	Short Term	Rating Action
<b><u>RATING TYPE: Fund Stability</u></b>				
1-Jan-21	AA+(f)			Upgrade
31-Dec-19	AA(f)			Reaffirmed
31-Dec-18	AA(f)			Reaffirmed
29-Dec-17	AA(f)			Reaffirmed
29-Dec-16	AA(f)			Reaffirmed
06-Jan-16	AA(f)			Reaffirmed
02-Jun-14	AA(f)			Initial

<b><u>BALANCE SHEET</u></b>	<b>FY19</b>	<b>FY20</b>
<b>Paid Up Capital</b>	N/A	N/A
<b>Total Equity</b>	N/A	N/A
<b><u>INCOME STATEMENT</u></b>		
<b>Total Income</b>	653	362
<b>Profit Before Tax</b>	323	598
<b>Profit After Tax</b>	323	598
<b><u>RATIO ANALYSIS</u></b>		
<b>Current Ratio (x)</b>	N/A	N/A
<b>Gearing (x)</b>	N/A	N/A