

Date: June 30, 2020

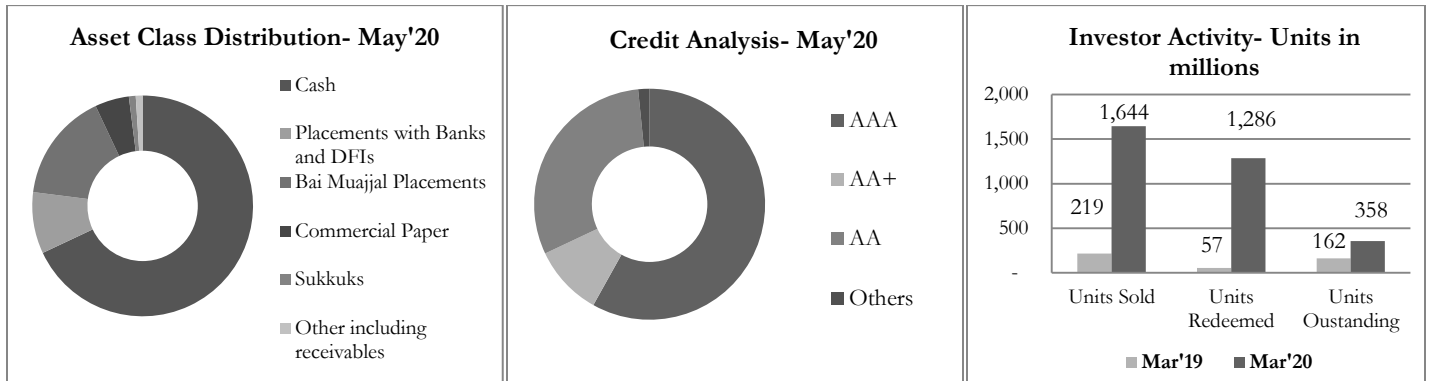
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Investment Objective

To meet liquidity needs of investors by providing investors a daily payout through investment in Shariah Compliant money market instruments.

Meezan Rozana Amdani Fund		
Rating Category	Latest	Previous
Fund Stability Rating	AA(f)	AA(f)
	June 30, 2020	May 16, 2019
AMC	Al Meezan Investment Management Ltd.	
External Auditors – Fund	A.F. Ferguson and Co. Chartered Accountants	
Fund Managers	Faizan Saleem	
Shariah Advisor	Meezan Bank Limited	
Trustee	Central Depository Company	
Front-end Load	Nil	
Back-end Load	Nil	
Management Fee	2% of gross earnings subject to a minimum floor of 0.25% of AUM per annum and maximum cap of 1% of AUM	
Benchmark	Three months average deposit rates of three AA rated Islamic Banks or Islamic windows of Conventional banks as selected by MUFAP	

MRAF	March'2019	May'2020
Type of Scheme	Open-end Islamic Money Market	
Return since inception (%)	11.90%	
Benchmark for FYTD return (%)	5.45%	
Monthly return (%)	9.6%	7.83%
Benchmark (%)	3.6%	5.06%
Peer Average (%) (June'19-Mar'20)	12.3%	
Relative Ranking (June'19-Mar'20)	2 out of 5	
Fund Size (in Rs. m)	7,050	51,694
Retail (%)	91%	93%
Associates (%)	0%	0%
Number of Investors	920	3,004
Top 10 Investors / AUMs	53%	66%
Fund Stability Rating	AA (f)	
WATM (In Days)	17.4	20.0
Modified Duration (at end-month in days)	18.2	21.9
Asset Allocation		
<i>Cash</i>	77%	68%
<i>Placements with Banks and DFIs</i>	14%	9%
<i>Bai Muajjal Placement</i>	7%	16%
<i>Commercial Paper</i>	0%	5%
<i>Sukukus</i>	0%	1%
<i>Other including receivables</i>	2%	1%



Launched in December 2018, Meezan Rozana Amdani Fund (MRAF) is a Shariah Compliant, open-end fund that aims to provide a daily payout through investing in specified Islamic money market instruments. The daily pay-out is reinvested offering high liquidity.

Since last review, net assets witnessed a multi-fold growth and stood at Rs. 51.7b (May'19: Rs. 16.1b) at end-May'20. At present, MRAF is the largest fund in terms of fund size.

Table 1: Offering document (extract)

Description	Min rating	Min-Max Limits	Maturity
Secured, unsecured, Listed, Unlisted and privately placed Shariah Compliant money market securities including sukuks issued by Federal Govt. , Provincial Govt. , Local Govt. , Govt. Agencies, Autonomous Bodies, public sector entities, and private sector entities.	AA	0%-90%	6 months
Shariah compliant Money market instruments such as Islamic TDR, Islamic Commercial Paper, Certificate of Islamic Investments (COII), Certificates of Musharaka (CoM), Islamic Certificates of Deposit (CoD), etc. with Islamic Commercial Banks and Islamic DFIs or Islamic windows of Commercial banks and DFIs.	AA	0%-90%	6 months
Cash and Cash equivalents: Shariah compliant Government Securities with 90 days maturity and cash with Islamic banks/Windows of Islamic Banks	AA	10%-100%	N/A

Shariah Compliant Placements of funds (including TDR, PLS Saving deposit, COD, COM, COI, Money Market Placements and other clean placements of the funds) with all microfinance banks, non-banking finance companies and Modarabas	AAA	0%-25%	6 months
Shariah Compliant Government Securities	AAA	0%-90%	6 months
Any other Shariah compliant investment	AA	As specified	6 months

Investment Committee (IC) comprises Chief Executive Officer (CEO), Chief Investment Officer (CIO), Head of Research, Head of Risk Management and fund managers. Decision making is based on consensus.

Asset Allocation

During the year, fund has remained primarily invested in cash and bank placements with remaining exposure comprising Bai Mujjal, commercial paper, Sukkuks and other receivables. Actual asset allocation has been maintained in line with the policy limits stipulated above.

Table 2: Asset Allocation

Asset Allocation	Mar'19	Mar'20	Average
Cash	78%	73%	68%
Placements with Banks and DFIs	14%	-	17%
Bai Muajjal Placement		18%	13%
Commercial Paper	7%	5%	9%
Sukkuks		2%	2%
Other including receivables	1%	2%	2%

Credit Risk

As per VIS policy guidelines, the fund has largely remained complied with minimum exposure of 25% in AAA rated investments barring the period from Apr'19 to July'19. Moreover, in accordance with the offering documents guidelines, the fund since its launch has complied with exposure in minimum AA rated investments.

Table 3: Credit Quality Summary (from Mar'19 to Mar'20)

Credit Quality	Average	Maximum	Minimum
AAA	43%	81%	10%
AA+	19%	49%	5%
AA	37%	66%	11%

Weighted average time to maturity (WATM) and Duration of the fund has remained in line with policy guidelines and criteria for the assigned rating (limit of 90 days).

Table 4: Monthly WATM (from Mar'19 to Mar'20)

Month-wise WATM	Days
Average	22.2
Maximum	38.0
Minimum	1.0

Liquidity Profile

During the period under review, investor base grew considerably and was reported at 3,004 investors (Mar'20: 920 investors) investors at end-May'20. Share of retail investors remain on the higher side at 93% (Mar'20: 91%) at end-May'20. The fund features concentration with top 10 investors representing 66% of total AUMs as at end-May'20.

Fund Performance

Table 4: Fund performance

	Mar'19	May'20
Return (%)	9.6%	7.83%
Benchmark (%)	3.5%	5.06%
Peer Average (%) (June'19 to Mar'20)	12.3%	
Relative Ranking (June'19 to Mar'20)	2 out of 5	

Since the launch of the fund, MRAF has consistently outperformed benchmark return and peer funds.

Rating History

Rating Type	Rating Date	Medium to Long Term	Rating Action
Fund Stability	June 30, 2020	AA(f)	Reaffirmed
Fund Stability	May 16, 2019	AA(f)	Initial

FINANCIAL SUMMARY		<i>(Amounts in PKR millions)</i>
<u>BALANCE SHEET</u>		9MFY20
Paid Up Capital		NA
Total Equity		NA
<u>INCOME STATEMENT</u>		
Total income		2,841
Profit Before Tax		2,624
Profit After Tax		2,624
<u>RATIO ANALYSIS</u>		
Net Cash Generated from Operating Activities		(2,452)
Current Ratio (x)		NA
Gearing (x)		NA