

December 31, 2020

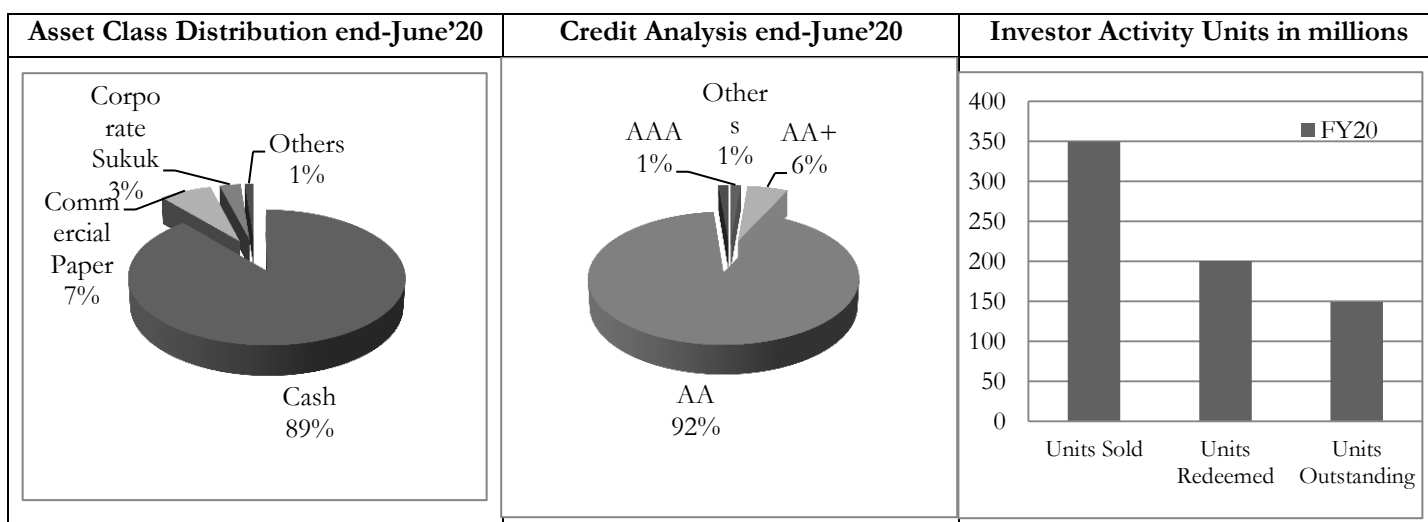
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**Investment Objective**

To provide investors, with competitive returns by investing in low risk and highly liquid Shariah compliant money market instruments

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

ABL Islamic Cash Fund		
Rating Category	Latest	Previous
	<b>AA (f)</b>	<b>AA (f)</b>
Fund Stability Rating	31 Dec 2020	17 Sept 2020
Management Company	ABL Asset Management Company Limited (ABL AMC)	
Chief Executive	Mr. Aleex Khalid Ghaznavi	
Fund Manager	Mr. Abdul Rehman Tahir, CFA	
Trustee	Central Depository Company of Pakistan Limited	
Front-end Load	Upto 1%	
Back-end Load	Nil	
Management Fee	2.0% of gross earnings subject to a minimum fee of 0.25% and a maximum fee of 0.75% of average daily net asset	
Benchmark	Avg Deposit Rate of 3 AA rated Islamic banks or Islamic windows of Conventional Banks	



ABL Islamic Cash Fund (ABL-ICF) was launched in Feb' 2020, operating as an open end shraiah compliant money market fund.

During the first year of operation the net assets of the fund increased to Rs. 1.5b at end-June'20 (end-Feb'20: Rs. 1.3b).

Asset Class	Minimum Entity & Instrument Rating	Exposure Limit (% of NAV)
Shariah Compliant Government securities	N/A	0%-90%
Cash in Bank Accounts	AAA and above for Shariah Compliant Bank Deposits	0%-100%
Shariah Compliant money market instruments, TDRs, CP, COIL, COM	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%-90%
Any investment, which is an Authorised Investment under the fund's advisor or by the Commission.	AA	0%-90%

### Asset Class Distribution

**Table 2: Asset allocation summary:**

	End-June FY20	Avg. FY20
<b>Cash</b>	87%	89%
<b>Commercial Paper</b>	7%	7%
<b>Corporate Sukuk</b>	6%	2%
<b>Others including Receivables</b>	1%	1%

In order to cater to its mandate, the fund maintains low exposure to risk. Consequently, pre-defined limits have been stated in order to limit deployment in different asset classes.

The fund's average cash exposure was recorded at 88.9% during the first four months of operations till June'20, with investments in cash placements amounting to 89% at end-June'20. Remaining chunk of investment portfolio was concentrated in commercial paper and short term corporate sukuk.

### Credit Quality:

**Table 3: Credit quality summary FY20**

	Average	Maximum	Minimum
AAA	2%	4%	0%
AA+	2%	6%	0%
AA	95%	99%	92%
Others	1%	2%	0%

On average, exposure to 'AA' rated counterparties was recorded at around 95% during FY20. There have been no breaches; the fund complied with VIS's criteria and the specified limits stated in the Investment Policy Statement

(IPS) The fund preserved 93.1% of its resources in AA rated avenues at end-July'20.

### 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. Moreover, the fund is prohibited from investing in any asset possessing maturity of higher than 6 months. During the year maximum and minimum WAM was reported at 12.7 days and 8.7days respectively. There was no breach in the WAM of the fund.

### Liquidity Profile:

Total number of investors increased to 40 at end-June'20 as compared to 19 investors at end-Feb'20. Retail portion of the fund remained low at less than 1% at end-June'20 with the remaining investment contributed by unrelated corporates.

### Fund Performance:

Performance of the fund is benchmarked against an equally weighted average deposit rate of 3 AA rated Islamic banks or Islamic windows of conventional banks. Peer rankings of the fund stood at 6 out of a total of 9 funds for FY20.

**Table 5: Performance summary**

Performance	FY20
Total Return	10.03%
Benchmark Return	4.45%
Relative Ranking	6 out of 9

**Rating History**

Rating Date	Medium to Long Term	Outlook	Short Term	Rating Action
<b>RATING TYPE: Fund Stability Management Quality</b>				
31-Dec-20	AA+(f)			Reaffirmed
20-Jan-20	AA+(f)			Upgraded
16-Jan-19	AA(f)			Reaffirmed
16-Jan-18	AA(f)			Reaffirmed
30-Dec-16	AA(f)			Reaffirmed
31-Dec-15	AA(f)			Reaffirmed
13-Aug-14	AA(f)			Reaffirmed
17-Jan-13	AA(f)			Downgrade
06-Apr-12	AA+(f)			Harmonized
31-Dec-11	AA+(f)			Reaffirmed

<b>BALANCE SHEET</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>	0	54
<b>Profit Before Tax</b>	0	50
<b>Profit After Tax</b>	0	50
<b><u>RATIO ANALYSIS</u></b>		
<b>Current Ratio (x)</b>	N/A	N/A
<b>Gearing (x)</b>	N/A	N/A