

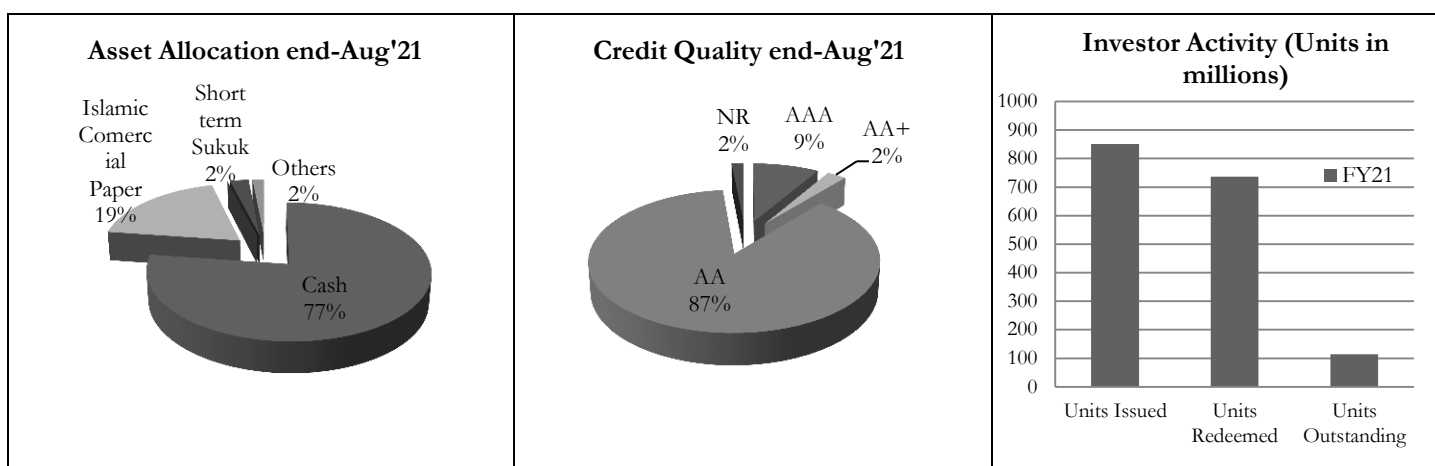
4 November, 2021

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Investment Objective

The Objective of the Fund is to seek maximum possible preservation of capital and a reasonable rate of return via investing primarily in Shariah Compliant money market securities

Faysal Islamic Cash Fund	
Rating Category	Initial
Fund Stability Rating	AA(f)
	4 November '21
Management Company	Faysal Asset Management Company Limited
Chief Executive	Mr. Khaldoon Bin Latif
Fund Manager	Mr. Mustajab Alam
Trustee	Central Depository Company of Pakistan Limited
Front-end Load	Up to 2% of NAV
Back-end Load (as Deferred Sales Load)	Up to 1% of NAV
Management Fee	Upto 1% of Average Annual N.A. (Actual Rate of Management Fee Charged is 0.20%)
Benchmark	Three (3) months average deposit rates of three AA rated Islamic Banks or Islamic windows of Conventional Banks as selected by MUFAP.



Launched in August 2020, Faysal Islamic Cash Fund (FICF) is an open ended Shariah Compliant Money Market Scheme fund, managed by Faysal Asset Management. The fund's objective is to preserve capital and obtain a reasonable rate of return through deploying investments in Shariah Compliant instruments

The stipulated limited for each investment avenue have been stated in the fund's operational Investment Policy Statement (IPS) stating that none of the investment shall be deployed below AA issue/issuer. Investment Committee (IC) comprises Chief Executive Officer, Chief Investment Officer, Head of Risk, and Director Research. All investment decisions are consensus based.

Asset base significantly grew to PKR 12b end-Aug'21 (Aug'20 PKR 1.2b)

Table 1: Offering Document (extract)

Asset Class	Minimum Rating (Issuer/Instrument)	Minimum – Maximum Limit
Shariah Compliant money market securities including Sukuk	AA or above	0%-90%
Shariah compliant Money market instruments such as Islamic TDR, Islamic Commercial Paper, Certificate of Islamic Investment	AA	0% -90*%
Cash and Cash equivalents: Shariah compliant Government Securities with 90 days maturity and cash with Islamic banks/Windows of Islamic Banks	AA and above (Bank Deposits)	10%-100%
Any other Shariah compliant investment which may be authorized by the Fund's Shariah Advisors and SECP	AA	0%-30% As allowed by SECP

Asset Allocation:

Table 2: Asset allocation Summary

	End Aug'20	End Aug'21	Average
Cash	100%	77%	80%
Islamic Commercial Paper	0%	19%	14%
Placements with Banks & DFIs	0%	0%	3%
Short term Sukuk	0%	2%	2%
Others	0%	2%	1%

The fund's IPS restricts exposure below AA rated issue/issuer. On an average basis, the fund deployed 80% of its assets in cash balances. Other remaining investment allocation comprised of Islamic Commercial Paper, short term Sukuk and bank placements. Barring a few instances at end-Oct'20-end-Dec'20 and Aug'21, the fund complied with the stipulated requisites of the offering document.

Credit Quality:

Table3: Credit quality Summary

	Average	Maximum	Minimum
AAA	9%	31%	0%
AA+	3%	11%	0%
AA	87%	100%	64%
Others	1%	2%	0%

Credit quality exposures remained in line with VIS criteria during the period under review. In order to cater to its mandate, the fund cannot take exposure in avenues rated below AA. On a monthly average basis, 87% of the fund's investments remained primarily concentrated in AA rated issue/issuer while AAA rated exposure was reported to be around 9%.

Market Risk:

As per the FICF's IPS, WAM of the fund is capped at 90 days whereby maturity of any single asset shall not exceed six months. Maintaining a low risk profile, the fund's market risk remained minimal as WAM and duration of

the fund remained compliant. Highest WAM was reported at end-Nov'20 at 37 days.

Liquidity Profile:

Top-10 client concentration of the fund increased to 85% during FY21 (HFY21 73%) depicting liquidity risk; however, the fund's ability to meet redemption is considered sound based on its liquid asset allocation plan. As of June'21, 64% of the fund's investors comprised of unrelated corporates while 34% of the fund's investment portfolio is held with retail clients and 2% with associates respectively.

Fund's Performance:

Table 4: Monthly Returns

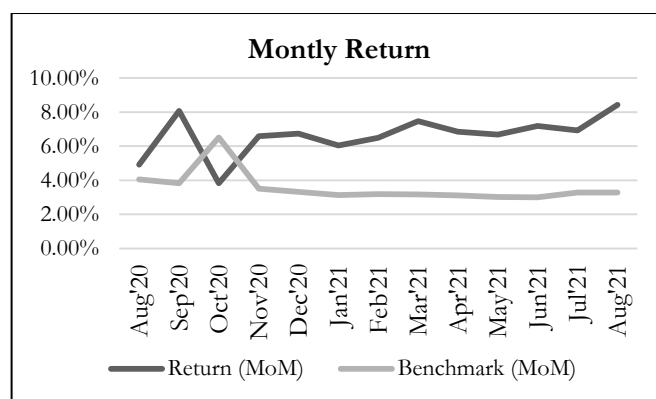


Table 5: Performance Summary

Performance	FY21
Return	6.95%
Benchmark Return	3.38%
Relative Ranking *(based on 365 days)	2/13

Benchmark return of the fund is determined from three (3) months average deposit rates of three AA rated Islamic Banks or Islamic windows of Conventional Banks as selected by MUFAP. Net Asset Value (NAV) of the fund remained consistent while monthly return experienced volatility during the first four months since the fund's launch. Relative to its peers, the fund was ranked 2nd out of a total of 13 funds based on a 365 day return, end-Sept'21. While on YTD basis, the funds was ranked 7/13 outperforming its peer average of 6.83%.

Rating History

Rating Type	Rating Date	Medium to Long Term	Rating Action
Fund Stability	11/4/2021	AA(f)	Initial

<u>BALANCE SHEET</u>	FY21
Paid Up Capital	N/A
Total Equity	N/A
<u>INCOME STATEMENT</u>	
Total Income	353
Profit Before Tax	310
Profit After Tax	310
<u>RATIO ANALYSIS</u>	
Current Ratio (x)	N/A
Gearing (x)	N/A