

Al Habib Money Market Fund (AHMMF)**Managed By: Al Habib Asset Management Limited****Fund Stability Rating****Latest Rating****AAA(f)****1-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

Launch Date	December 20, 2021
Fund Type	Open-ended
Category	Money Market Scheme
Risk Profile	Very Low (Principal at very low risk)
Auditor	BDO Ebrahim & Co. Chartered Accountants
Trustee	Central Depository Company of Pakistan Limited
Front-end Load	3% (Management has the discretion to reduce or waive load on any transaction)
Back-end Load	Nil
Benchmark	90% three (3) months PKRV rates + 10% three (3) months average of highest rates of saving accounts of three (3) AA rated scheduled banks as selected by MUFAP
MQR Rating	AM1
Mgt. Fee	0.63%

Fund Overview

Al Habib Money Market Fund (the Fund) is an open-ended mutual fund constituted under a Trust Deed entered into on December 20, 2021, between Al Habib Asset Management Limited as the Management Company and Central Depository Company of Pakistan Limited (CDC) as the Trustee.

Investment Objective

The investment objective of AHMMF is to provide its unit-holders optimum returns from a portfolio of low risk and short duration assets while being highly liquid.

Offering Document (Extract)

Description	Minimum rating	Min- Max Limits
Cash and Near Cash Instruments which include Cash in Bank Accounts (Excluding TDR), GOP Ijara Sukuk & Treasury Bill not exceeding 90 days to maturity, at all times	AA	10%-100%
Term Deposit Receipt (TDR) and clean placement with Commercial/Scheduled Banks	AA	0-90%
Letter of Placements/Certificate of Investment (COIs) with DFIs	AA	0-90%
Deposits (Current / Saving / PLS account, term deposit), Certificate of Investments (COIs), Certificate of Musharaka Placements under approved Shariah Compliant Structure 1) With Microfinance Banks 2) With NBFCs/ Modaraba	AA, AAA	0-25%
Government Securities - (PIBs, Treasury Bills and GOP Ijara Sukuks) more than 90 days and equal to 6 Months Maturity and other Government Securities	N/A	0-100%
Reverse repo against Government Securities or such other securities allowed	AA for Bank/ DFI and AAA for NBFC and Modaraba	0-90%
Foreign Investments (in authorized money market instruments and other money market mutual funds)	AA rated by International Rating Agency	Upto 30% of Net Assets or US \$15 Million, whichever is lower

Net Assets

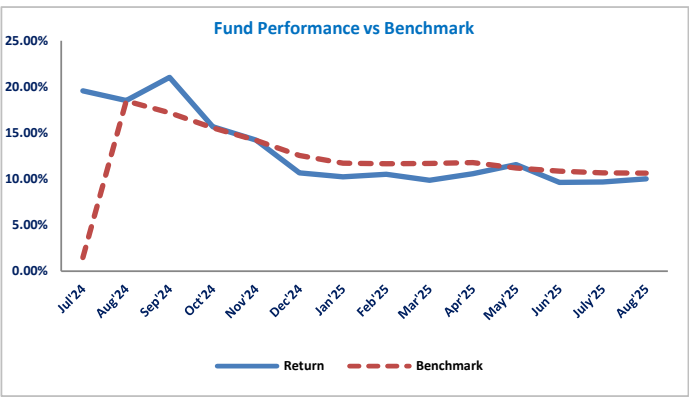
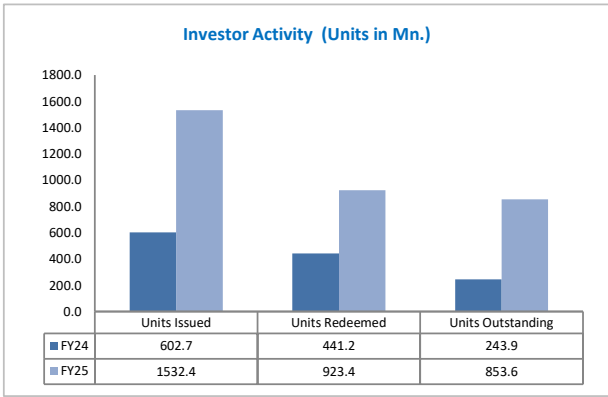
	Jun'24	Jun'25	Aug'25
Net Assets (In PKR' Millions)	24,386	85,764	82,435

Asset Allocation - Aug'25

Asset Class	Percentage
T-Bills	71%
PIBs	20%
Cash	8%
TDR	1%
Others	0%

Credit Quality - Aug'25

Credit Rating	Percentage
Govt Sec/AAA	100%
AA+	0%
NR	0%



Credit Quality (FY'25)	Average	Maximum	Minimum
Govt Sec/AAA	98.34%	99.93%	87.81%
AA+	0.02%	0.19%	0.00%
AA	0.00%	0.00%	0.00%
AA-	0.00%	0.00%	0.00%
A+	0.00%	0.00%	0.00%
A	0.00%	0.00%	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	1.64%	12.19%	0.07%

Avg. Asset Allocation (% wise)	FY'25	Aug'25
Cash	7.88%	20.40%
TDR	0.00%	0.97%
Placements with DFIs	0.00%	0.00%
PIBs	10.63%	26.69%
GOP Ijarah Sukuk	0.00%	0.00%
T-Bills	79.85%	50.08%
TFCs/Sukuk	0.00%	0.00%
CP	0.00%	0.00%
Spread/MTS	0.00%	0.00%
Others	1.64%	1.87%

Portfolio Maturity (FY'25)	Average	Maximum	Minimum	Benchmark
WAM (in Days)	69.06	85.00	43.00	90.00
Duration (In Days)	69.06	85.00	43.00	N/A

Fund Performance	FY'25	YTD Aug'25
Total Return (YTD)	14.39%	9.89%
Benchmark Return (YTD)	13.86%	10.67%
Peer Average	15.47%	9.79%
Peer Ranking	22 out of 26	9 out of 27

Fund Stability Analysis

Al Habib Money Market Fund ('AHMMF' or 'the Fund') has been assigned a fund stability rating of AAA(f). The Fund has demonstrated highest degree of stability in Net Asset Value; Risk is negligible with very low sensitivity to changing economic conditions. The size of the Fund was increased to PKR 82,435m in Aug'25.

Asset Allocation:

During the period under review, the Fund's asset allocation remained compliant with the parameters set out in the offering document. On average, the portfolio was primarily concentrated in Government Securities, with T-Bills forming ~80% of total investments and Pakistan Investment Bonds (PIBs) representing ~11% of the Fund's size, with the remaining portion maintained in cash balances.

Credit Quality:

The Fund's portfolio credit quality remains strong and comfortably above the minimum AA threshold specified in the offering document. The portfolio is well aligned with the VIS benchmark for the assigned rating, with around 90% of investments placed in AAA-rated instruments and the balance in AA+-rated securities. Management has articulated an operational strategy to maintain at least 90% exposure to AAA-rated instruments, with any exposure to AA+-rated assets capped below 10%, supporting a conservative and high-quality credit profile. Adherence to the same will remain important for rating.

Market and Liquidity Risk:

The Fund's weighted average time to maturity (WAM) for FY25 averaged around 69 days, below the threshold stipulated in the offering document, albeit it increased slightly compared to the previous year. In Aug'25, WAM stood at 52 days, in line with the offering document.

The Fund's liquidity profile remained sound, with investments predominantly in liquid assets. Corporate investors continue to represent the bulk of the Fund's net assets, constituting ~62% of the Fund's AUM, while retail investors accounted for ~38% of the investments. Top ten investors represent ~48% of the investments, indicating moderate client concentration.

Fund Performance:

During FY25, the Fund delivered an annualized return of 14.39%, outperforming its benchmark yet trailing its peers. In Aug'25, however, the Fund's year-to-date (YTD) returns underperformed its benchmark. However, it slightly outperformed its peer average, placing it in the second quartile.

Financial Snapshot

BALANCE SHEET	FY24	FY25
Paid Up Capital	N/A	N/A
Total Equity	N/A	N/A
INCOME STATEMENT	FY24	FY25
Total Income	3,515.7	4,696.6
Profit Before Tax	3,258.8	4,188.6
Profit After Tax	3,258.8	4,188.6
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	Al Habib Money Market Fund	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	1-Jan-26	AAA(f)	Reaffirmed
Fund Stability	27-Dec-24	AAA(f)	Upgrade
Fund Stability	15-Nov-23	AA+(f)	Reaffirmed
Fund Stability	30-Dec-22	AA+(f)	Initial
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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