



Rating Action

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Analyst

Mohammad Asadullah Saleem
(+92-42-586 9504)
Saleem.Asadullah@pacra.com
www.pacra.com

PACRA MAINTAINS STABILITY RATING OF ASKARI SOVEREIGN CASH FUND

The Pakistan Credit Rating Agency (PACRA) has maintained the stability rating at **'AA+(f)'(Double A plus – Fund Rating)** of Askari Sovereign Cash Fund (ASCF), an open-end money market fund. The fund's rating denotes a very strong capacity to manage relative stability in returns and very low exposure to risks.

The rating reflects the fund's mandate to generate consistent returns with minimal risks, and to provide a highly liquid avenue to its unit holders by investing primarily in short-term government securities. The fund's very low risk emanates from its investment policy of maintaining minimum exposure of 70% in securities (primarily T-Bills) issued by Government or Government owned, managed and controlled entities. Furthermore, to diversify the portfolio and optimize returns, the remaining portion includes Cash and near Cash Instruments (excluding TDRs) and deposits with scheduled banks carrying a minimum credit rating of AA.

Currently the fund is 96% in T-Bills with maximum weighted average time to maturity of the scheme will be 90 days.

About the Management Company: Askari Investment Management Limited (AIM) is the management company for the ASCF. AIM is a wholly owned subsidiary of Askari Bank Limited, which has a network of 206 branches nationwide. AIM has "AM3" asset manager rating by PACRA and it is currently managing five mutual funds with aggregate AUM of PKR 4.1 bln as at end-Dec10.

The management team of AIM consists of qualified and relatively experienced personnel. Mr. Adnan Siddiqui, CEO, who has recently joined, has capital markets experience of more than 15 years. The recently appointed Fund Manager, Mr. Mustafa Kamal, is an MBA with over seven years of diversified experience in the field of Money Market with domestic financial institutions. The company has in place an adequate investment management and research functions and back-end support systems and processes.

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