

January 29, 2016

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Moiz Badshah

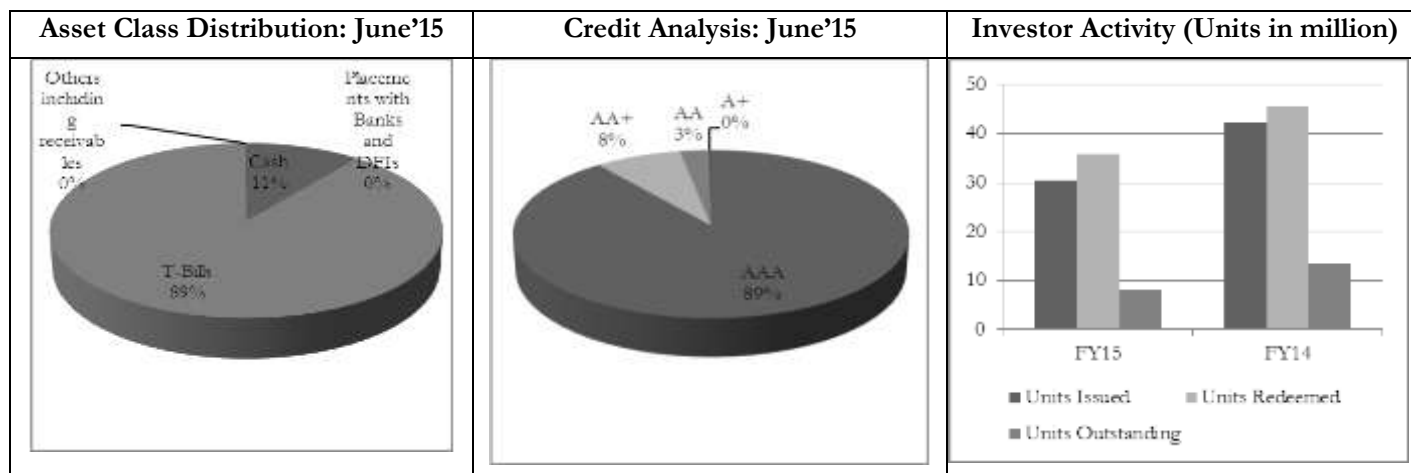
Investment Objective

The objective of the fund is to provide a reasonable rate of return and maintain high liquidity by investing primarily in low risk and short duration instruments.

JS Cash Fund		
Rating Category	Latest	Previous
	AA+(f)	AA+(f)
Fund Stability Rating	December 31, 2015	September 11, 2014
Management Company	JS Investments Limited	
External Auditor - Fund	M/s KPMG Taseer Hadi & Co. Chartered Accountants	
Chief Executive Officer	Dr. Ali Akhtar Ali	
Fund Manager	Mr. Asim Ilyas	
Trustee	MCB Financial Services Ltd.	
Front-end Load	1%	
Back-end Load	Nil	
Management Fee	0.5% p.a.	
Benchmark	50/50 composition of: - avg. 3-months T-bills rate - avg. 3m deposit return of comm. banks with at least AA	

JS-CF			
	FY15	FY14	
Type of Scheme	Money Market		
Return (%) *Gross Returns	9.63%*	8.79%*	
Peer Average (%)	9.70%	9.33%	
Benchmark (%)	8.20%	8.73%	
Relative Ranking	10 out of 19	19 out of 19	
Fund Size (in Rs. m)	825	1,371	
Retail (%)	22.0%	13.8%	
Associates (%)	47.2%	29.2%	
Number of Investors	146	171	
Top 10 Investors / AUMs *Dec'14	78.5%	*86.3%	
Fund Stability Rating		AA+ (f)	
Management fee	0.50%	0.50%	
Front-end Load	1.00%	1.00%	
WATM*	17 days	55 days	
Duration	17 days	55 days	
Asset Allocation (average)			
	T-Bills	72.4%	76.3%
	Placements with Banks and DFIs	24.7%	15.0%
	Cash	2.7%	8.6%
	Others	0.3%	0.2%

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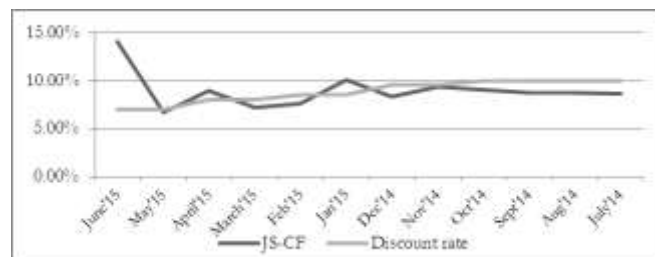
The JS Cash Fund (JS-CF) is a money market scheme aimed at providing investors low-risk returns higher than average bank deposit schemes. Furthermore, the fund maintains high liquidity levels to meet any redemption requirements.

As per the Offering Document (OD) of the fund, JS-CF is required to maintain weighted average time to maturity (WATM) of the portfolio below 90 days while not investing in any asset whose WATM exceeds 6 months. As per the target allocation for FY16, the fund intends to meet the following:

- Duration is targeted at 90 days maximum
- 40-70% of net assets investment in government securities (namely T-Bills), and;
- Minimum credit rating of counter party is set at AA.

Net assets of the fund reduced significantly during FY15 to amount to Rs. 825m at year end (FY14: Rs. 1.4b). Redemptions have primarily occurred from institutions including a financial entity which previously represented 15% of net AUMs. WATM restrictions on assets limit the potential upside available in a declining interest rate environment. The fund is expected to be an investment haven for institutional clients who wish to attain safe returns higher than bank deposits.

JS-CF primarily invested in T-Bills to generate stable returns. The same are purchased closer to maturity to ensure limit compliance while placements with Banks and DFIs are used to enhance returns. The credit portfolio of the fund is sound with almost 90% of net assets placed in AAA rated securities. The same ensure adequate liquidity levels.



Performance of the fund has improved, as compared to peers. Gross returns appreciated to 9.63% for FY15 (FY14: 8.79%) increasing peer ranking to 10 out of 19 (FY14: 19 out of 19). However, returns of the fund do remain marginally below peer average of 9.63%.

Due to limited quantum of retail investment, Top 10 concentration remains a problem representing 78.5% of net assets. Investment by JSIL in the fund represents 42.5% of net assets **JCR-VIS**

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Technical Partner – IIRA, Bahrain | JV Partner – CRISL, Bangladesh

Rating Date	Medium to Long Term	Outlook	Short Term	Rating Action
<u>RATING TYPE: Fund Stability</u>				
31-Dec-15	AA+(f)	Stable		Reaffirmed
11-Sep-14	AA+(f)	Stable		Reaffirmed
13-May-13	AA+(f)	Stable		Reaffirmed
30-Mar-12	AA+(f)	Stable		Reaffirmed
08-Oct-10	AA+(f)	Stable		Initial