



**Date**  
24-Apr-2019

**Analyst**

Shahzaib Khalid  
shahzaib.khalid@pacra.com

+92-42-35869504  
www.pacra.com

**Applicable Criteria**

- Methodology | Stability Rating (Jun 18)

**Related Research**

- Sector Study | Mutual Funds | Stability (Nov 18)

**Disclaimer**

This press release is being transmitted for the sole purpose of dissemination through print/electronic media. The press release may be used in full or in part without changing the meaning or context thereof with due credit to PACRA

**PACRA Maintains Stability Rating of Lakson Money Market Fund**

Rating Type	Stability Rating	
	Current (24-Apr-2019)	Previous (29-Nov-2018)
<b>Action</b>	Maintain	Maintain
<b>Long Term</b>	AA(f)	AA(f)
<b>Short Term</b>		-
<b>Outlook</b>	Stable	Stable
<b>Rating Watch</b>	-	-

The investment objective of the lakson Money Fund is to provide stable and competitive returns in line with the money markets, exhibiting low volatility consistent with capital preservation by constructing a liquid portfolio of low risk short term investments.

At end Dec-18, fund's assets were invested as Cash 83% and 17% as placements with banks rated 'AAA' (~17%) and 'AA+' (~74%). In Dec-18, fund has duration and weighted average maturity of 8 days. On monthly average basis, the duration remained within the assigned parameters. The unit holding pattern of the fund is highly concentrated with top ten investors representing 82% of the fund's assets.

Going forward, the rating remains dependent on maintaining portfolio duration not exceeding 45 days. Meanwhile, the assets of the fund must be placed with minimum credit ratings AA and above. Material changes in the fund's asset allocation strategy, which could negatively impact the fund's credit quality and exposure to interest rate risk, remains critical for the rating.

**About the Entity**

Lakson Investments Limited, the investment management company of the Lakson Group, was incorporated on January 02, 2009 as an un-listed public company. It is licensed to undertake Asset Management and investment advisory services. The company has recently acquired the license to launch private equity and venture capital funds. The company's control vests in eight-member board, comprising three non-executives of group companies, one executive and four independent directors. The Chairman of the Lakson Group, Mr. Iqbal Ali Lakhani, is the chairman of Lakson Investment's board. The company is currently managing six open-end funds in diversified categories with an aggregate AUM base of ~PKR 19.6 billion at end Dec-18. The investment advisory portfolio has ~PKR 12.2 billion assets under management at end Sep-18.

The primary function of PACRA is to evaluate the capacity and willingness of an entity to honor its obligations. Our ratings reflect an independent, professional and impartial assessment of the risks associated with a particular instrument or an entity. PACRA's comprehensive offerings include instrument and entity credit ratings, insurer financial strength ratings, fund ratings, asset manager ratings and real estate gradings. PACRA opinion is not a recommendation to purchase, sell or hold a security, in as much as it does not comment on the security's market price or suitability for a particular investor.