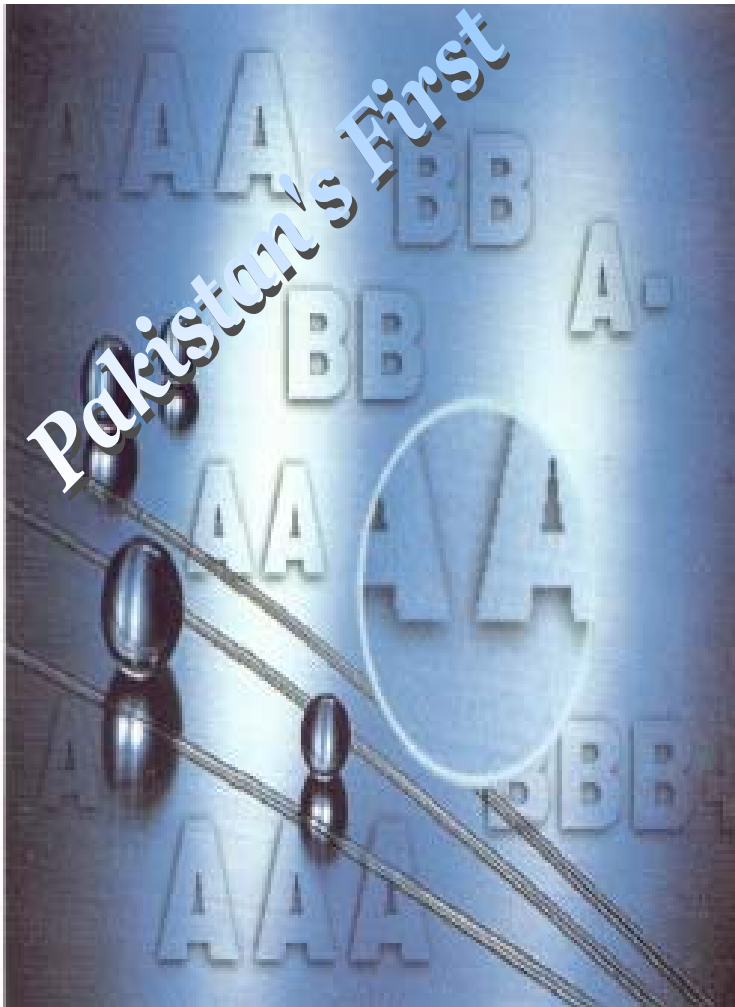




The Pakistan Credit Rating Agency (Pvt) Limited

# PACRA News

March - May 2003



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The Pakistan Credit Rating Agency (Pvt) Limited

## MESSAGE FROM THE CHIEF EXECUTIVE

PACRA News, launched in March 2003, initiated a very positive response from corporate and financial sectors of the country, despite a few unavoidable errors on our part. We apologize for the lapses. While we on our part shall continue to strive to improve the coverage and quality, we expect readers to provide us with their candid feedback on the design and contents of PACRA News.

**PACRA News:**

**Editor:** Sobia Aslam

**Technical Advisor:** Imtiaz Mahmood



## RECENT DEVELOPMENTS

### March - May 2003

- The Karachi Stock Exchange (KSE) released Margin Trading Rules drafted by the Securities and Exchange Commission of Pakistan (SECP) for suggestions aimed at replacing the traditional Badla Financing.
- The State Bank of Pakistan (SBP) further cut the rate of export refinance to 2.0% per annum.
- The SBP asked all banks dealing in foreign exchange to provide monthly foreign exchange data under a revised format that conforms to the reporting requirement of the IMF.
- Latest cut-off yields on 3, 6 and 12-month T-Bills are 1.7%, 1.8% and 2.6% respectively, as per SBP's last auction.
- The SBP issued draft revised Prudential Regulations with special reference to guidelines for all banks to prevent use of the banking sector for money laundering, terrorist financing, transfer of illegal/ ill gotten monies and as a conduit of white collar crime.
- The SECP approved, in principle, the issuance of Musharika-based Term Finance Certificates (TFCs) by the Modarabas.
- The SECP issued a circular suggesting listed companies to maintain a website.
- The inflow of Foreign Direct Investment (FDI) during the period July '02 – March '03 reportedly showed a 129% YoY increase over the same period last year.
- Standard & Poor's Rating Services assigned BB- (Double B Minus) rating to Pakistan Investment Bonds (PIBs).
- The SECP notified the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003.
- The SBP issued a Master Circular for banks regarding minimum capital requirement.
- Forex reserves reportedly crossed the US\$ 10bln mark.
- Pakistan's first foreign exchange company started operations in the country.

**Source:** Newspapers



**SOVEREIGN RATINGS OF SELECTED COUNTRIES AS AT 30/05/2003**

Region	Country Name	Rating Assigned (Long-Term/Short-Term)*		
		S&P	Moody's	FitchRatings
<b>Africa</b>				
	Egypt	BB+/B	Ba1/NP	BB+/B
	South Africa	BBB/A3	Baa2/P2	BBB/F3
<b>America</b>				
	Argentina	SD/SD	Ca/NP	DDD/C
	Brazil	B+/B	B2/NP	B/B
	Canada	AAA/A1+	Aaa/P1	AA+/F1+
	U.S.A.	AAA/A1+	Aaa/P1	AAA/F1+
<b>Asia Pacific</b>				
<b>Middle East</b>				
	Bahrain	A-/A2	Baa3/P3	A-/F1
	Iran	---	---	B+/B
	Kuwait	A+/A1+	A2/P1	AA-/F1+
<b>North Asia</b>				
	China	BBB/A3	A3/P2	A-/F1
	Hong Kong	A+/A1	A3/P1	AA-/F1+
	Japan	AA-/A1+	Aaa/P1	AA/F1+
	Korea	A-/A2	A3/P2	A/F1
	Taiwan	AA-/A1+	Aa3/P1	A+/F1
<b>South Asia</b>				
	India	BB/B	Ba1/NP	BB/B
	Pakistan	B/B	B3/NP	---
<b>South East Asia</b>				
	Indonesia	B-/C	B3/NP	B/B
	Malaysia	BBB+/A2	Baa1/P2	BBB+/F2
	Philippines	BB/B	Ba1/NP	BB+/B
	Thailand	BBB-/A3	Baa3/NP	BBB-/F3
<b>Others</b>				
	Australia	AAA/A1+	Aaa/P1	AA+/F1+
	New Zealand	AA+/A1+	Aaa/P1	AA/F1+
<b>Europe</b>				
	Belgium	AA+/A1+	Aaa/P1	AA/F1+
	France	AAA/A1+	Aaa/P1	AAA/F1+
	Germany	AAA/A1+	Aaa/P1	AAA/F1+
	Italy	AA/A1+	Aaa/P1	AA/F1+
	Netherlands	AAA/A1+	Aaa/P1	AAA/F1+
	Russia	BB/B	Ba2/NP	BB+/B
	Spain	AA+/A1+	Aaa/P1	AA+/F1+
	Switzerland	AAA/A1+	Aaa/P1	AAA/F1+
	U.K.	AAA/A1+	Aaa/P1	AAA/F1+

\* Rating Scales are available at [www.standardandpoors.com](http://www.standardandpoors.com), [www.moody.com](http://www.moody.com), [www.fitchratings.com](http://www.fitchratings.com)



## PACRA RATING ACTIONS

### **May 28, 2003: Gulistan Textile Mills Limited**

The Pakistan Credit Rating Agency (PACRA) has maintained the rating of the secured TFC of Rs. 321 mln of Gulistan Textile Mills Limited (GTML) at **'A-' (single A minus)**. This rating indicates a low expectation of credit risk and a strong capacity for timely payment of financial commitments.

GTML's rating reflects a maintained risk profile with almost stable capital structure despite deterioration in the core earnings. The rating also takes into account the stressed cash flows, though the strong standing of the Gulistan Group and its demonstrated capacity to mobilize requisite funds from external sources mitigate the concern.

### **May 19, 2003: Pak-Arab Refinery Limited (PARCO)**

For the sixth year running, the Pakistan Credit Rating Agency (PACRA) has maintained the entity ratings of Pak-Arab Refinery Limited (PARCO) at **'AAA' (Triple A)** and **'A1+' (Single A one plus)** for the long-term and short-term, respectively. The entity ratings are applicable to the senior unsecured creditors of the company. The rating of the secured TFC of PKR 2.5 bln has been maintained at **'AAA' (Triple A)**. These ratings denote the lowest expectation of credit risk and an exceptionally strong capacity for timely payment of financial commitments. PARCO continues to be the only company in Pakistan – out of over a hundred entities rated by PACRA – that has been assigned an entity rating of AAA.

PARCO – a joint venture between the Government of Pakistan (60%) and the Emirate of Abu Dhabi (40%) – is involved in refining, transporting and marketing of various petroleum products, including the introduction of unleaded MOGAS in the country.

PARCO's ratings reflect stable and efficient business operations, effective management policies, high margins on pipeline operations and the GoP guaranteed 25% minimum return on the paid-up capital attributable to the successful first full year operations of the Mid-Country Refinery. As

*May 28, 2003:* PACRA maintains Rating of Gulistan Textile Mills Limited (GTML)

*May 19, 2003:* PACRA Reaffirms Ratings of Pak-Arab Refinery Limited (PARCO)

*May 16, 2003:* PACRA Upgrades Ratings of Crescent Investment Bank Limited (CresBank)

*May 12, 2003:* PACRA Assigns Asset Management Intrinsic Rating to ABAMCO Limited

*May 07, 2003:* PACRA Maintains Ratings of Muslim Commercial Bank Limited (MCB)

*April 28, 2003:* PACRA Maintains Entity Ratings of Askari Leasing Limited

*April 21, 2003:* PACRA Assigns Ratings to Nishat Mills Limited

*April 17, 2003:* PACRA Places Ratings of National Development Leasing Corp Ltd (NDLC) on RatingWatch

*April 09, 2003:* PACRA Upgrades Ratings of Packages Limited

*March 31, 2003:* PACRA Maintains Ratings of WorldCall Communications Limited

*March 26, 2003:* PACRA Assigns Credit Ratings to First Habib Modaraba

*March 25, 2003:* PACRA Assigns Credit Ratings to First Fidelity Leasing Modaraba

*March 25, 2003:* PACRA Upgrades Ratings of Fidelity Investment Bank Limited

*March 11, 2003:* PACRA Upgrades Ratings of Dawood Leasing Company Limited

*March 06, 2003:* PACRA Maintains IFS Rating of New Jubilee Insurance Company Limited (NJI)



a result, the company's business and financial risk continues to be low. Having come down from the peak levels, gearing should now continue a declining trend, as no significant capex-related borrowing is envisaged. Meanwhile, the management's capability to successfully accomplish its business and financial objectives remains fully demonstrated through successful marketing joint ventures with TOTAL-PARCO (France) and SHV (Holland).

### **May 16, 2003: Crescent Investment Bank Limited (CresBank)**

The Pakistan Credit Rating Agency (PACRA) has upgraded both the long-term and short-term entity ratings assigned to Crescent Investment Bank Limited (CresBank) to "A-" (A minus) and "A1" (single A one), respectively. These ratings are applicable to senior unsecured creditors of the bank and indicate that there is currently a low expectation of credit risk and the capacity for honouring financial commitments is considered strong. However, this capacity might be more susceptible to changes in circumstances or in economic conditions than is the case for higher ratings.

The bank's ratings were placed on RatingWatch and downgraded subsequent to marked deterioration in the capital structure and risk profile of the bank during September 2001. Since then, the capital structure has been strengthened through considerable reduction in liabilities and the enhanced capital base. PACRA is of the opinion that the bank now has a strong capacity to meet its financial obligations in the absence of any unforeseen development. The ratings also recognize the substantial reduction in potential market risk emanating from the bank's large exposure to the equity market in the past, after considerable reduction in the size of the equity investment portfolio. Going forward, the management is considering conversion to a commercial bank through a merger. In the event of this proposal materializing, concentration of the bank's investment in the equity portfolio is expected to decline further while the bank would have alternate avenues for fund raising and revenue generation.

### **May 12, 2003: ABAMCO Limited**

The Pakistan Credit Rating Agency (PACRA) has assigned 'aa' (**Double a**) Asset Management Intrinsic Rating to ABAMCO Limited indicating an excellent capacity to master the risks inherent in asset management.

Established in 1995, ABAMCO is a pioneer asset management company in the private sector, registered with the SECP as Investment Advisor for closed-ended funds and Asset Management Company for management of open-ended funds. A recognized player in the field of asset management, ABAMCO offers a range of asset management products adhering to several investment strategies with multiple risk/return profiles. Its marketing approach is characterized by transparency as regards asset management and active support for investors. ABAMCO's operating ratio reveals moderate and steady profitability with the vision to pursue high growth, diversification and product development. ABAMCO has produced an average return of 21.74 % annually vis-à-vis its flagship fund UTP, and 23.21 % in BBF. During the current financial year, ABAMCO has added two more open-ended funds in its family, the UTP-Income Fund and the UTP-Islamic Fund. Both the Funds have performed extremely well with UTP-Income Fund



averaging a return of 11.01% from August 2002 to March 2003 and UTP-Islamic Fund averaging a return of 20.02% from December 2002 to March 2003. The performance of twelve ICP funds – since the acquisition of management rights – also testifies to the quality of ABAMCO’s asset management skills.

### **May 7, 2003: Muslim Commercial Bank Limited (MCB)**

PACRA has maintained the long-term rating at “**AA**” (**Double A**) and the short-term rating at “**A1+**” (**A One Plus**) of Muslim Commercial Bank Limited (MCB). These ratings are applicable to senior unsecured creditors (depositors) of the bank. The unsecured subordinated TFC issue of PKR 1,600mln has been assigned a rating of “**AA-**” (**Double A Minus**). These ratings denote a very low expectation of credit risk emanating from a very strong capacity for timely payment of financial commitments.

The ratings reflect MCB’s strong franchise, improved risk absorption capacity and sustained system share. Though revenues are increasingly under pressure, the bank, with enhanced focus on non-fund based avenues and consumer financing, leveraging on its strong technology platform and extensive outreach, is well positioned to sustain its competitive edge despite a difficult operating environment.

### **April 28, 2003: Askari Leasing Limited**

The Pakistan Credit Rating Agency (PACRA) has maintained entity ratings of Askari Leasing Limited (ALL) at “**A+**” (**single A plus**) for long-term and “**A1**” (**single A one**) for short-term. The assigned ratings denote a high credit quality with low expectation of credit risk and a strong capacity for timely payment of financial obligations. These ratings are applicable to the senior unsecured creditors of the company.

ALL’s ratings reflect the improving trend both in the overall performance and the risk profile of the lending portfolio through enhanced provision coverage for potential lease losses. The ratings also recognize the increasing risk absorption capacity emanating from the enlarging equity base and the management’s successful diversification strategy of asset deployment. While ALL has been continuing to grow in size, further growth could be constrained by the borrowing capacity. However, the management is considering various measures to overcome this constraint.

### **April 21, 2003: Nishat Mills Limited**

The Pakistan Credit Rating Agency (PACRA) has assigned long-term and short-term Credit Ratings of ‘**A**’ (**Single A**) and ‘**A1**’ (**A one**), respectively to Nishat Mills Limited (NML). The rating of the secured TFCs has been maintained at ‘**A+**’ (**Single A Plus**). The entity ratings are applicable to the senior unsecured creditors of the company. These ratings denote a low expectation of credit risk and a strong capacity for timely payment of financial commitments.

NML’s ratings reflect its strong capacity to meet financial obligations, arising from stable core earnings despite a difficult operating environment and also a relatively strong capacity to raise external funds. The ratings also consider the company’s competitive edge on the strength of its



diverse product and customer base, increased focus on value-addition and superior customer relations. NML is well positioned to meet future competition owing to the expected improvement in operating efficiency consequent to the substantial capex incurred on BMRE.

**April 17, 2003: National Development Leasing Corporation Limited (NDLC)**

Following the recent decision of NDLC management to amalgamate with the local operations of a foreign commercial bank and thereby the change of status of the company to a commercial bank, NDLC’s ratings are placed on RatingWatch. Currently, these ratings are :

	<u>Long-Term</u>	<u>Short-Term</u>
Entity	A	A1
TFCs	A+	---

On completion of the process, PACRA would review the ratings. Meanwhile, in PACRA's perception, no negative connotation is associated with the impending change.

**April 9, 2003: Packages Limited**

The Pakistan Credit Rating Agency (PACRA) has upgraded the long-term rating of Packages Limited to “AA” (double A) and short-term rating has been maintained at “A1+” (A one plus). These ratings are applicable to senior unsecured creditors of the company and denote a very low expectation of credit risk and a very strong capacity for honoring financial commitments. The rating of the unsecured perpetual TFC issue of Rs.850 mln has also been upgraded to “AA” (double A).

Packages Limited’s ratings reflect the sustained improving trend in the risk absorption capacity, through the enlarging equity base, supplemented by substantial unrecognised appreciation in the value of its investment portfolio. Declining gearing, inclining coverages and stable cash flows continue to contribute to PL’s financial strength. The rating also factors in PACRA’s view that support can be expected, in the event of a contingency – the possibility of which is considered remote – from the sponsoring group, though the group has no such contractual obligation.

**March 31, 2003: WorldCall Communications Limited**

The Pakistan Credit Rating Agency (PACRA) has maintained the entity ratings of WorldCALL Communications Limited (WCL) at ‘A+’ (Single A plus) and ‘A1’ (A one) for the long-term and short-term, respectively. The entity ratings denote a low expectation of credit risk and are applicable to the senior unsecured creditors of the bank. The rating of the secured TFCs of PKR 350mln has been maintained at ‘AA-’ (Double A minus). This rating denotes a very low expectation of credit risk and very strong capacity for timely payment of financial commitments.

The ratings recognize WCL’s strong financial profile with stable cash flows and sound coverages. The ratings also take into account the potential benefits arising from the company’s diversification strategy and its strong competitive position within the payphone industry. These factors help in mitigating business risk associated with the telecom services sector.



### **March 26, 2003: First Habib Modaraba**

The Pakistan Credit Rating Agency (PACRA) has assigned the entity ratings at ‘**AA-**’ (**Double A minus**) and ‘**A1+**’ (**Single A one plus**) for long-term and short-term, respectively, to First Habib Modaraba (FHM). ‘A1+’ is the highest level in PACRA’s rating scale for short-term rating. These ratings indicate a low expectation of credit risk and very strong capacity for timely payment of financial commitments.

The ratings of FHM reflect its consistent performance and effective risk management policy. FHM continues to maintain an infection-free lease portfolio, which demonstrates good credit evaluation and effective post-disbursement monitoring systems.

Going forward, the FHM has maintained its steady growth momentum and continues to benefit by the highly professional and experienced senior management team. The rating also reflects continued strong support arising out of the affiliation with the Habib Group.

### **March 25, 2003: First Fidelity Leasing Modaraba**

The Pakistan Credit Rating Agency (PACRA) has assigned long-term and short-term Credit Ratings of “**BBB+**” (**triple B plus**) and “**A2**” (**A two**), respectively to First Fidelity Leasing Modaraba (FFLM). These ratings indicate a low expectation of credit risk and adequate capacity for timely payment of financial commitments.

FFLM’s ratings reflect a high risk absorption capacity emanating from a large proportion of equity in total assets and maintained performance. The ratings also recognise the volatility risk attributable to the equity investment portfolio though mitigated by unrealised appreciation as at December 31, 2002. The Modaraba is expected to maintain its present level of performance.

### **March 25, 2003: Fidelity Investment Bank Limited**

The Pakistan Credit Rating Agency (PACRA) has upgraded the long-term entity rating of Fidelity Investment Bank Limited to “**BBB+**” (**triple B plus**) and maintained short-term entity rating at “**A2**” (**A two**). The entity ratings are applicable to senior unsecured creditors of the bank.

While updating the ratings, PACRA has taken note of FIBL’s improved risk absorption capacity emanating from the expanding equity base through internal generation and improving contribution to net earnings through increased treasury and capital market operations. The ratings also recognise the FIBL’s exposure to volatility risk owing to sizable investment in equities albeit mitigated by unrealised appreciation and the good quality of the investment portfolio. The ratings have been placed on RatingWatch due to the pending merger with a commercial bank.



### **March 11, 2003: Dawood Leasing Company Limited**

The Pakistan Credit Rating Agency (PACRA) has upgraded the long-term entity rating to '**A+**' (**single A plus**) for Dawood Leasing Company Limited (DLC), while short-term rating has been maintained at '**A1**' (**A one**). These ratings are applicable to the senior unsecured creditors and denote a low expectation of credit risk. The ratings of two tranches of secured TFC of PKR 253 mln and PKR 345 mln have also been upgraded to '**AA-**' (**double A minus**). These ratings denote a very low expectation of credit risk with very strong capacity for timely payment of financial commitments.

DLC's ratings reflect its increasing risk absorption capacity, augmented particularly by substantial unrecognised appreciation on certain investments made subsequent to FY2002 and also the reversal of the declining trend in core earnings. The ratings also recognize management's successful diversification strategy through acquisitions, dynamic but low-risk fund management policies and the company's affiliation with an established business group.

### **March 06, 2003: New Jubilee Insurance Company Limited**

The Pakistan Credit Rating Agency (PACRA) has maintained Insurer Financial Strength (IFS) Rating of "**AA**" (**double A**) for New Jubilee Insurance Company Limited (NJI). The rating denotes a very strong capacity to meet policyholders' and contract obligations.

The company ranks among the three largest Pakistani insurance companies in respect of premium volume, capital and equity base. The rating reflects the company's financial strength evidenced by a strong financial base and solvency margin, and virtually maintained profitability despite the relatively unfavorable operating environment. The rating also takes into account the company's consistently better performance than peers.



## List of Publicly Disseminated Ratings (As At May 31, 2003)

### Entity Ratings:

Sr. No.	Name of the Organisation	Type of Rating	Date of Notification	Rating Assigned		
				FS/MF /AMIR	LT	ST
<b>FINANCIAL SECTOR</b>						
<b>BANKING COMMERCIAL</b>						
1.	Askari Commercial Bank Limited	Entity	06/29/2002		AA	A1+
2.	AlBaraka Islamic Bank (Pakistan Branches)	Entity	07/01/2002		A	A1
3.	Bank Alfalah Limited	Entity	06/11/2002		AA-	A1+
4.	Bank Al Habib Limited	Entity	06/25/2002		AA	A1+
5.	The Bank of Punjab	Entity	06/29/2002		A	A1
6.	Metropolitan Bank Limited	Entity	06/26/2002		AA+	A1+
7.	Muslim Commercial Bank Limited (MCB)	Entity	05/02/2003		AA	A1+
8.	Prime Commercial Bank Limited	Entity	07/01/2002		A	A1
9.	Soneri Bank Limited	Entity	06/29/2002		AA-	A1+
10.	Union Bank Limited	Entity	07/18/2002		A-	A2
<b>BANKING INVESTMENT</b>						
1.	Atlas Investment Bank Limited	Entity	01/02/2003		A-	A2
2.	Crescent Investment Bank Limited	Entity	05/09/2003		A-	A1
3.	Fidelity Investment Bank Limited	Entity	02/18/2003		BBB+	A2
4.	First International Investment Bank Limited	Entity	02/21/2003		A	A1
5.	Jahangir Siddiqui Investment Bank Limited	Entity	01/22/2003		A	A1
<b>DFIS / INVESTMENT COS. / BROKERAGE HOUSES / MUTUAL FUNDS / ASSET MANAGEMENT COS.</b>						
1.	ABAMCO Limited	AMIR <sup>1</sup>	04/30/2003	aa	---	---
2.	BSJS Balanced Fund Limited	MF <sup>2</sup>	02/18/2003	AA(f)	---	---
3.	House Building Finance Corporation (HBFC)	Entity	11/18/2002		A	A1
4.	Jahangir Siddiqui & Co. Limited	Entity	12/02/2002		AA	A1+
5.	Khadim Ali Shah Bukhari & Co. Limited	Entity	01/29/2003		A	A1
6.	National Investment (Unit) Trust – NIT	MF	10/02/2002	A(f)	---	---
7.	Pakistan Industrial Credit & Investment Corporation Limited (PICIC)	Entity	02/17/2003		A+	A1
8.	Unit Trust Of Pakistan	MF	01/22/2003	AA(f)	---	---
<b>INSURANCE COMPANIES</b>						
1.	International General Insurance Company of Pakistan Limited (IGI)	IFS <sup>3</sup>	07/25/2002	AA	---	---

<sup>1</sup> Asset Management Intrinsic Rating

<sup>2</sup> Mutual Fund Rating

<sup>3</sup> Insurer Financial Strength Rating



Sr. No	Name of the Organisation	Type of Rating	Date of Notification	Rating Assigned		
				FS/MF /AMIR	LT	ST
2.	Muslim Insurance Company Limited	IFS	09/19/2002	A	---	---
3.	New Jubilee Insurance Company Limited (NJI)	IFS	02/21/2003	AA	---	---
<b>LEASING COMPANIES</b>						
1.	Askari Leasing Limited	Entity	04/25/2003		A+	A1
2.	Crescent Leasing Corporation Limited	Entity	11/07/2002		A+	A1
3.	Dawood Leasing Company Limited	Entity	02/21/2003		A+	A1
4.	KASB Leasing Limited (Formerly Pak-Apex Leasing Company Limited)	Entity	11/15/2002		BBB+	A2
5.	National Development Leasing Corporation Limited (NDLC)	Entity	11/25/2002		A	A1
6.	Network Leasing Corporation Limited	Entity	12/11/2002		BBB	A3
7.	Orix Leasing Pakistan Limited	Entity	02/24/2003		AA	A1+
8.	Pacific Leasing Company Limited	Entity	11/25/2002		BBB	A3
9.	Trust Leasing Corporation Limited	Entity	01/28/2003		A-	A2
10.	Union Leasing Limited	Entity	10/21/2002		A-	A1
<b>MODARABAS</b>						
1.	First Fidelity Leasing Modaraba	Entity	02/18/2003		BBB+	A2
2.	First Grindlays Modaraba	Entity	02/04/2003		AA+	A1+
3.	First Habib Modaraba	Entity	02/17/2003		AA-	A1+
4.	First Punjab Modaraba	Entity	01/29/2003		A-	A2
<b>INDUSTRIAL CORPORATES</b>						
1.	Al-Abbas Sugar Mills Limited	Entity	04/10/2003		A-	A2
2.	Engro Chemical Pakistan Limited	Entity	05/30/2002		A+	A1
3.	Nishat Mills Limited	Entity	03/28/2003		A	A1
4.	Packages Limited	Entity	04/02/2003		AA	A1+
5.	Pak-Arab Refinery Company Limited (PARCO)	Entity	05/07/2003		AAA	A1+
6.	Pakistan Mobile Communications (Pvt) Limited (Mobilink)	Entity	09/19/2002		A+	A1
7.	Security Papers Limited	Entity	08/16/2002		AA	A1+
8.	Tri-Pack Films Limited	Entity	06/28/2002		A+	A1
9.	WorldCall Communications Limited	Entity	03/12/2003		A+	A1



## Term Finance Certificates (TFCs) Ratings:

Sr. No.	Name of the Organisation	Type of Rating	Date of Notification	Rating Assigned	
				LT	ST
<b>FINANCIAL SECTOR</b>					
<b>BANKING COMMERCIAL</b>					
1.	Bank Alfalah Limited	TFCs	08/27/2002	A+	---
2.	Muslim Commercial Bank Limited (MCB)	TFCs	05/02/2003	AA-	---
3.	Union Bank Limited	TFCs	10/21/2002	A-	---
<b>BANKING INVESTMENT</b>					
1.	Atlas Investment Bank Limited (Originally Issued By Atlas Lease Limited)	TFCs	01/02/2003	A	---
2.	---	TFCs – 2 <sup>nd</sup> Tranche	01/02/2003	A	---
3.	First International Investment Bank Limited	TFCs	02/21/2003	A+	---
4.	---	TFCs-M	02/21/2003	A	---
5.	---	TFCs-R	02/21/2003	A	---
6.	Trust Investment Bank Limited (Originally Issued By PILCORP)	TFCs-I	01/10/2002	A-	---
7.	---	TFCs-II	01/10/2002	A-	---
<b>DFIS / INVESTMENT COMPANIES / BROKERAGE HOUSES / MUTUAL FUNDS</b>					
1.	Jahangir Siddiqui & Co. Limited	TFCs	12/02/2002	AA	---
<b>LEASING COMPANIES</b>					
1.	Crescent Leasing Corporation Limited	TFCs	11/07/2002	AA-	---
2.	Dawood Leasing Company Limited	TFCs	02/21/2003	AA-	---
3.	---	TFCs – 2 <sup>nd</sup> Tranche	02/21/2003	AA-	---
4.	KASB Leasing Limited (Formerly Pak-Apex Leasing Company Limited)	TFCs	11/15/2002	A-	---
5.	National Development Leasing Corporation Limited (NDLC)	TFCs	11/25/2002	A+	---
6.	Network Leasing Corporation Limited	TFCs-I	12/11/2002	BBB+	---
7.	---	TFCs-II	12/11/2002	A-	---
8.	Orix Leasing Pakistan Limited	TFCs - 1 <sup>st</sup> Tranche	02/24/2003	AA+	---
9.	---	TFCs – 2 <sup>nd</sup> Tranche	02/24/2003	AA+	---
10.	Pacific Leasing Company Limited	TFCs	11/15/2002	BBB+	---
11.	Trust Leasing Corporation Limited	TFCs	01/28/2003	A	---
12.	Union Leasing Limited	TFCs	10/21/2002	A	---
<b>INDUSTRIAL CORPORATES</b>					
1.	Al-Noor Sugar Mills Limited	TFCs	05/20/2003	BBB	---
2.	Engro Chemical Pakistan Limited	TFCs	05/30/2002	AA-	---
3.	---	TFCs – 2 <sup>nd</sup> Tranche	05/30/2002	AA-	---
4.	Gatron Industries Limited	TFCs	01/07/2003	---	A1+



Sr. No.	Name of the Organisation	Type of Rating	Date of Notification	Rating Assigned	
				LT	ST
5.	Gulistan Textile Mills Limited	TFCs	05/21/2003	A-	---
6.	Maple Leaf Cement Factory Limited	TFCs	10/28/2002	A-	---
7.	Nishat Mills Limited	TFCs	03/28/2003	A+	---
8.	Packages Limited	TFCs	04/02/2003	AA	---
9.	Pak-Arab Refinery Company Limited (PARCO)	TFCs	05/07/2003	AAA	---
10.	Pakistan PTA Limited (Formerly ICI Pakistan Limited)	TFCs-I	07/10/2002	A	---
11.	---	TFCs-II	07/10/2002	A	---
12.	Paktel Limited	S-TFCs <sup>1</sup>	09/19/2002	A	---
13.	Shahmurad Sugar Mills Limited	TFCs	05/20/2003	BBB-	---
14.	Sui Southern Gas Company Limited (SSGC)	TFCs	02/28/2002	AA	---
15.	---	TFCs – 2 <sup>nd</sup> Tranche	02/28/2002	AA	---
16.	WorldCall Communications Limited	TFCs	03/12/2003	AA-	---

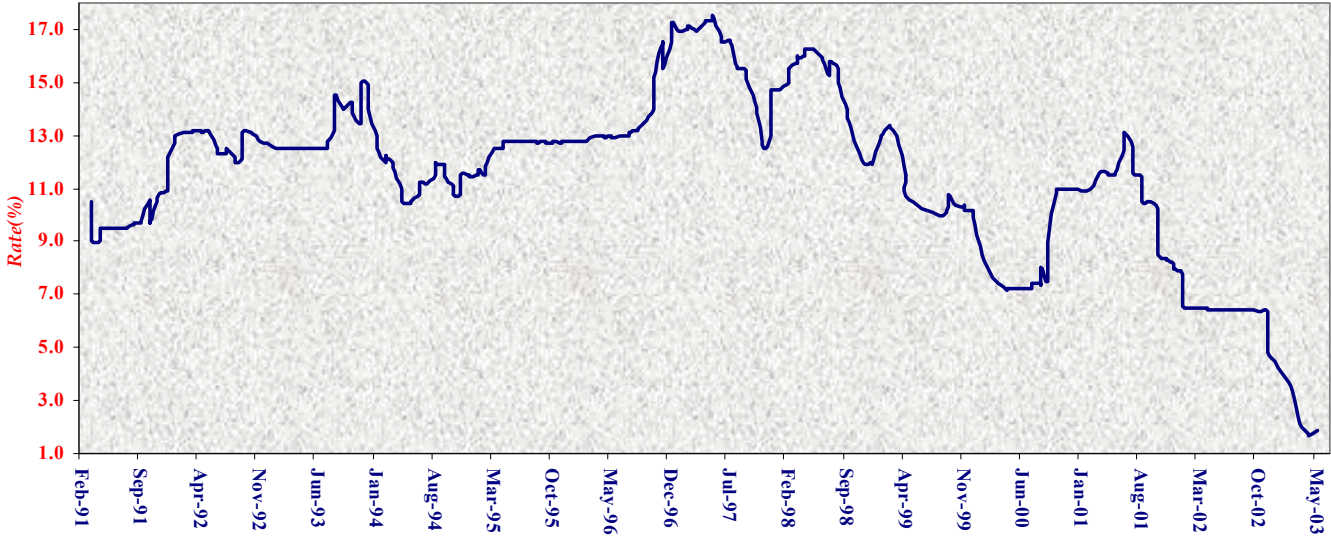
<sup>1</sup> Securitised Term Finance Certificate



# INTEREST RATE TRENDS

## Short Term: (Treasury Bills)

**Cut Off Yield (March 1991 - May 2003)**



## Long Term: (PIBs)

**Rates for 3, 5 & 10 Year Tenor**

