



**RATING ACTION**

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**PACRA ASSIGNS POSITIVE OUTLOOK TO ASSET MANAGER RATING OF ALFALAH GHP INVESTMENT MANAGEMENT LIMITED**

The Pakistan Credit Rating Agency (PACRA) has maintained the asset manager rating of Alfalah GHP Investment Management Limited (AGIM) at “AM3”, while **Positive Outlook** has been assigned to the rating. The rating denotes asset manager’s strong capacity to manage the risks inherent in asset management and meets high investment management industry standards and benchmarks.

The rating reflects company’s experienced and qualified management team, structured investment process, and association with a leading commercial bank – Bank Alfalah Limited (BAL). The rating factors in the efforts of AGIM to strengthen its core fund management team, with plans to improve related systems and processes. AGIM has a relatively diverse fund slate and most of its funds have strong performance track record. Although AGIM has an agreement with BAL for marketing and distribution of its funds, it has experienced limited success for growth in assets under management (AUM) through this platform.

The company’s ability to structure and execute an effective marketing strategy, amidst prevailing subdued socio-economic environment, is yet to be seen. In addition, establishing an independent and effective risk management framework, improving overall control environment and continuous improvement in systems and processes would remain critical.

**About the company:** Commencing operations in March 2005, AGIM is a joint venture between Bank Alfalah Limited, GHP Arbitrium Holdings Switzerland and MAB Investments Inc. (a holding company of Dhabi Group, UAE). AGIM is managing six open-end funds with total AUM of PKR 3.4bln at end-Dec 09. Its business plan envisages launch of a money market fund soon.

Six-member BOD comprises two representatives of BAL, one representative each of MAB and GHP, CEO of AGIM and an independent director as the Chairman of the Board. The CEO, Mr. Abdul Aziz Anis, CFA, has considerable experience in Pakistan’s capital markets and has been associated with AGIM since inception. Mr. Ather H. Medina, with a diverse experience in investment management, has recently joined AGIM as Chief Investment Officer.

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