



Rating Action

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**PACRA ASSIGNS POSITIVE OUTLOOK TO THE ASSET
MANAGER RATING OF ARIF HABIB INVESTMENT
MANAGEMENT LIMITED**

The Pakistan Credit Rating Agency (PACRA) has assigned Positive Outlook to the asset manager rating of ‘AM2’ of Arif Habib Investment Management Limited (AHIML). The rating reflects the company’s very strong capacity to manage the risks inherent in asset management and the asset manager meets very high investment management industry standards and benchmarks.

The rating recognizes the company’s leading position in the sector emanating from its qualified and experienced management, successful track record, diverse product base, structured investment process and sound technology infrastructure. In the wake of changing landscape of the asset management sector and AHIML’s relatively subdued performance, the company has taken many initiatives – currently in the process of consolidation – to structure and strengthen its operating platform in terms of marketing, distribution, risk management, fund management, and human resource. While these initiatives augur well for the company, their translation into a competitive edge for the company remains to be seen.

About the company: Incorporated in August 2000, AHIML is one of the largest private sector asset management companies in Pakistan (market share end-Dec 07: 9%). Arif Habib Securities Limited (AHS) – the holding company for Arif Habib Group – holds majority stake (62%) in the company. The group is engaged in investment, financial advisory services, brokerage, investment banking, commercial banking, cement and fertilizer industries. Arif Habib Bank is a new yet expanding commercial bank of the group. The Chief Executive of AHIML, a known figure in the country’s mutual fund industry, is a Chartered Accountant with over three decades of experience in the financial sector.

With assets under management of around PKR 23bln at end-Dec07, the company currently has seven open-end and three closed-end funds under management. In addition, the management has recently launched two pension schemes.

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