



RATING ACTION

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PACRA MAINTAINS ASSET MANAGER RATING OF ASKARI INVESTMENT MANAGEMENT LIMITED (AIM)

The Pakistan Credit Rating Agency (PACRA) has maintained the asset manager rating of “AM3” to Askari Investment Management Limited (AIM).

The Asset Manager rating of Askari Investment Management Limited (AIM) has been maintained at ‘AM3’. The rating reflects AIM’s capacity to establish a robust asset management platform in an increasingly competitive environment. This capacity emanates from a well-qualified management team, which has successfully put in place adequate support systems. This is further supplemented by the company’s association with a leading commercial bank, Askari Bank Limited (AKBL), which, while providing an established brand offers synergic benefits in distribution and marketing. However, the extent to which the management succeeds in capitalizing upon this potential and the related timeline remain to be seen. In addition to subdued economic environment and fierce competition in the asset management industry, the scarcity of qualified human resource is a key challenge for AIM in achieving desired expansion and diversity in its business.

About the company: AIM, a wholly owned subsidiary of AKBL, commenced its business in May-05. AKBL is the country’s ninth largest commercial bank in terms of total assets at end-Dec-07 (PKR 182bln). The bank has a very strong financial position, evidenced by a long-term entity rating of “AA” by PACRA. The eight-member BoD of AIM includes three independent directors. All directors are professionals, mainly, from the financial sector and provide valuable guidance in the development of strategy. The CEO, Mr. Saeed Aziz Khan, who has been elevated to this position in Sep-07, was previously the Senior Portfolio Manager (SrPM).

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