



Rating Action

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PACRA MAINTAINS RATINGS OF HABIB METROPOLITAN BANK LIMITED

The Pakistan Credit Rating Agency (PACRA) has maintained the long-term and short-term entity ratings of Habib Metropolitan Bank Limited at “AA+” (Double A plus) and “A1+” (A one plus) respectively. 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 the bank’s demonstrated ability to maintain its robust performance and established position despite intensifying competition in the banking industry. The ratings also incorporate HMB’s leading position in its niche market – self liquidating trade finance – its very strong asset quality and the management’s initiatives in the ambit of technology upgradation and network consolidation to sustain envisaged growth pattern. Meanwhile, the bank’s association with a geographically diversified international bank – Habib Bank AG Zurich (HBZ) – is also a key rating factor.

About the bank: HMB, commencing operations in 1992, is listed on all three bourses of Pakistan. The bank is a 51% owned subsidiary of HBZ, incorporated in Switzerland. HBZ, with total assets of around USD 6.7bln at end-08, has operations in eight countries directly and through subsidiaries. HMB is a leading player in trade financing and has a sizeable market share in the foreign trade. The bank has a nationwide network of 110 branches (including 4 Islamic banking branches) spread over 16 cities with high concentration in Karachi and Lahore. The overall control of the bank is vested in the nine members BoD. The BoD comprises two nominee directors of Habib Bank AG Zurich, one executive director, three independent directors and one nominee director of NIT.

First time, since the inception of the bank, there was a change at top level with the retirement of Mr. Kassim Parekh. The new Chief Executive of the bank, Mr. Anjum Iqbal, is a senior banker and during his 33 years career with an internationally reputed Bank has served in many locations, Pakistan and overseas, in senior management positions. A highly professional team of senior executives including the executive director, who plays a pivotal role in evolving the bank’s strategy as well as its implementation, assists the Chief Executive.

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