



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 (HMB) 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 HMB’s robust financial profile emanating from a strong equity base and sound liquidity position. Despite an increasingly competitive and challenging operating environment, the bank sustained its leading position in its niche market – self liquidating trade finance – while ensuring fee based income supplemented profitability. Although the bank experienced a substantial rise in NPLs, its asset quality still remains strong when compared to peers. Meanwhile, the ratings incorporate the bank’s association with a geographically diversified and financially strong international bank – Habib Bank AG Zurich (HBZ).

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, 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 120 branches (including 6 Islamic banking branches) spread over 19 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 directors from HBZ and one executive director from Habib family, three independent directors and one nominee director of NIT.

The CEO, Mr. Anjum Iqbal, is a senior banker and has over three decades of local and international banking experience while serving at various locations and 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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