



Rating Action

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**PACRA UPGRADES ASSET MANAGER RATING OF
MCB ASSET MANAGEMENT COMPANY LIMITED**

The Pakistan Credit Rating Agency (PACRA) has upgraded the asset manager rating of MCB Asset Management Company Limited (MCB AMC) to 'AM3+'. The rating denotes the company's strong capacity to manage the risks inherent in asset management and the asset manager meets high investment management industry standards and benchmarks.

The rating reflects the company's well-qualified and experienced management team, implementation of effective supporting infrastructure and risk management policies, and association with a leading commercial bank – MCB Bank Limited. Meanwhile, the rating also recognizes the progress made by the management towards implementing a sound operating platform for capitalization on the strong franchise and extensive outreach of the parent bank. However, in the back-drop of relatively short operational history and track record, the efficacy of the newly developed systems and processes needs to be fully demonstrated.

About the company: MCB AMC, a wholly owned subsidiary of MCB Bank Limited (MCB) commenced operations in Feb06. MCB, the fourth largest bank in Pakistan in terms of asset size, has an extensive network of over one thousand branches. The major shareholding in the bank is held by Nishat Group – one of the distinguished business groups in Pakistan, with interest in textiles, cement, and financial sectors. The bank has very strong financial position, evidenced by a long-term entity rating of AA+ by PACRA.

The Chief Executive Officer of MCB AMC has extensive experience in the asset management industry. The company currently has two funds – equity and a money market fund –, with total assets under management amounting to around PKR 13bln.

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