



Rating Action

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PACRA ASSIGNS POSITIVE OUTLOOK TO THE ASSET MANAGER RATING OF NBP FULLERTON ASSET MANAGEMENT LIMITED

The Pakistan Credit Rating Agency (PACRA) has assigned 'Positive Outlook' to the asset manager rating - '**AM2-**' (**AM Two Minus**) - of NBP Fullerton Asset Management Limited (formerly; National Fullerton Asset Management Limited).

The rating reflects the company's proficient and experienced management team, sound quality of systems and processes, sponsors' strength and diverse product slate. It recognizes the strengthening of risk management and investment management platform that has helped improvement in performance of NAFA's funds. Although the company has experienced strong growth in assets under management, it observed limited diversity in terms of AUM and investor profile. The rating incorporates NAFA's association with a known international fund management group and the country's largest commercial bank.

The rating has a positive outlook that recognizes the company's ability to effectively execute its business strategy in an increasingly competitive operating environment, while successfully capitalizing on its parent bank's network. The outlook would be evaluated for a rating upgrade as the company demonstrates sustainability in funds' performance while achieving operational break-even.

About the Management Company

Incorporated in August 2005, NAFA is a subsidiary of National Bank of Pakistan (54%), while the other major shareholder is Alexandra Fund Management Pte. Ltd. (A member of Fullerton Fund Management Group - FFMG, Singapore). The company currently manages a diverse pool of 10 open-end funds and discretionary portfolios with total assets under management amounting to PKR 17.7 bln as at end-Apr 11.

The eight-member Board of Directors comprises the CEO, three representatives from NBP, two from FFMG and two independent directors. The CEO, Dr. Amjad Waheed, CFA, has extensive experience in domestic and international capital markets. He played an effective role in the development of the company as well as the mutual fund industry. He is supported by a qualified, experienced and professional team.

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