



**Rating Action**

(08-July-2010)

**Analyst**

Rai Umar Zafar  
(+92-42-3586 9504)  
rai.umar@pacra.com

**PACRA MAINTAINS ASSET MANAGER RATING OF “AM2-” OF NATIONAL FULLERTON ASSET MANAGEMENT LIMITED**

PACRA has maintained an asset manager rating of ‘AM2-’ of National Fullerton Asset Management Limited (NAFA). The rating reflects company’s very strong capacity to manage the risks inherent in asset management business and the asset manager meets very high investment management industry standards and benchmarks.

NAFA’s strengths include a well qualified management team, a structured investment process, sound quality of systems and processes and a diverse product base. AUM have largely remained intact, despite continuing depressed market conditions for mutual fund industry. However, diversity in terms of AUM and investor profile is currently less compared to some of the more established players. The rating incorporates NAFA’s association with a well known international fund management group and a leading commercial bank.

The rating is dependent on NAFA’s ability to strengthen its investment and risk management process and ensuring stability in its fund management. Developing consistent and superior funds’ performance would also be important. NAFA is now a subsidiary of National Bank of Pakistan, NBP – Pakistan’s largest bank, owned by government – its success in capitalizing on the potential available through NBP would bode well for its prospects.

**The company:** Incorporated in August 2005, NAFA is a subsidiary (54%) of National Bank of Pakistan, while the other major shareholder is Alexandra Fund Management Pte. Ltd. (A member of Fullerton Fund Management Group, Singapore). NAFA is among the leading asset management companies of Pakistan. The company has also initiated discretionary portfolio management services for its investors. The total AUM as of May31, 2010 stood at PKR 14bln.

The eight-member Board of Directors comprises CEO, three representatives from NBP, two from FFMG and two directors independent of the sponsoring groups. 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. He is supported by a qualified team.

**Disclaimer**

This press release is being transmitted for the sole purpose of dissemination through print/electronic media. The press release may be used in full or in part without changing the meaning or context thereof with due credit to PACRA.

The primary function of PACRA is to evaluate the capacity and willingness of an entity to honor its obligations. Our ratings reflect an independent, professional and impartial assessment of the risks associated with a particular instrument or an entity.

PACRA’s comprehensive offerings include instrument and entity credit ratings, insurer financial strength ratings, fund ratings, asset manager ratings and real estate gradings.

PACRA’s opinion is not a recommendation to purchase, sell or hold a security, in as much as it does not comment on the security’s market price or suitability for a particular investor.