



**Rating Action**

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**PACRA EMPHASIZES RATING WATCH OF TRUST INVESTMENT BANK LIMITED**

The ratings of Trust Investment Bank Limited (TIBL) came under considerable pressure as a result of weakening fundamentals of the bank, and otherwise challenging operating environment of investment banking industry.

The sponsors of TIBL have since been making efforts to revitalize its operations and improve its financial and liquidity profile. In this regard sponsors have devised a plan, which, inter-alia, includes fresh equity injection either by existing sponsors or through new equity partners. In addition, the sponsors are supporting the bank in managing its liquidity profile at adequate level.

The pace of execution of these plans has been slow. Meanwhile, shrinking business volumes coupled with declining spreads have put further pressure on risk absorption capacity of the bank. Such circumstances have precipitated immediate injection of fresh capital into the bank.

The ratings of TIBL [Long Term: 'A-' (Single A Minus), Short Term: 'A2' (A Two), TFCs: 'A' (Single A)] will continue to be on Rating Watch with negative outlook. However, any material delay in taking corrective measures is likely to trigger negative rating action.

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