



Rating Action

Lahore : 30-Dec-2016

Analyst

Usama Liaquat
(+92-42-35869504)
usama.liaquat@pacra.com
www.pacra.com

PACRA Maintains Stability Rating of PIML Income Fund

The Pakistan Credit Rating Agency (PACRA) has maintained the stability rating of PIML Income Fund (PIML IF), an open-end income fund, at 'A+'(f) (Single A Plus ; fund rating). The fund's rating denotes a strong capacity to manage relative stability in returns and low exposure to risks.

The objective of the fund is to generate competitive returns by investing in short to long term debt instruments and securities.

The rating incorporates the fund's strong credit quality and sound liquidity profile, emanating from the fund's current portfolio mix. At end-Nov16, the net assets of the fund largely comprised government securities (PIB's: 43%). Fund's exposure with banks was 51% with majority of exposure in 'AA'. The remaining assets of the fund were invested with TFCs/ sukuks (i.e. 4%) with the credit rating of 'A' & above. The unit holding pattern of the fund is highly concentrated with the top10 investors representing 88% of the fund's assets. The higher unit holder concentration keeps the fund vulnerable to redemption pressure.

Going forward, the rating remains dependent on maintaining high exposure in Government securities along with high quality debt instruments and commercial banks rated 'AA-' and above.

About the Management Company:

Established in 2011, Primus Investment Management Limited (PIML) is a wholly owned subsidiary of Pak Brunei Investment Company Limited (Pak Brunei). PIML is a Non-Banking Finance Company, licensed by the Securities and Exchange Commission of Pakistan to manage open and closed end funds. PIML is currently managing seven open end schemes with assets under management of PKR 8.4bln at end-Nov16.

The CEO, Mr. Ahmed Ateeq, has been associated with the asset management industry for more than a decade. The Fund Manager, Khawar Salman, has a cumulative working experience of more than 16year.

Applicable Criteria and Related Research

- Mutual Funds | Oct-16
- Fund Stability Rating Methodology

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 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.