

BROKER MANAGEMENT RATING REPORT

Intermarket Securities Limited

REPORT DATE:

October 11, 2017

RATING ANALYSTS:

Muniba Khan

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APPLICABLE

METHODOLOGY:

Broker Management Ratings
2017

<http://jcrvis.com.pk/docs/BMR201701.pdf>

Rating Category	Latest Rating
Broker Management Rating	BMR2
Rating Rationale	The rating signifies sound regulatory compliance levels, internal and external controls and risk management along with adequate client relationship management, HR & IT services and financial management.
Rating Date	October 6, 2017

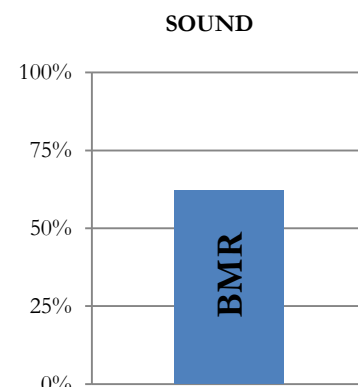
COMPANY INFORMATION

Incorporated on September 2002	External auditors: Rahman Sarfaraz Rahim Iqbal Rafiq, Chartered Accountants
Public Limited Company	Chairman of the Board: Mr. Azneem Bilwani
Key Shareholders (with stake 5% or more):	Chief Executive Officer: Mr. Shehzad Moosani
Azneem Bilwani – 90%; Muhammad Javed Moti – 10%	

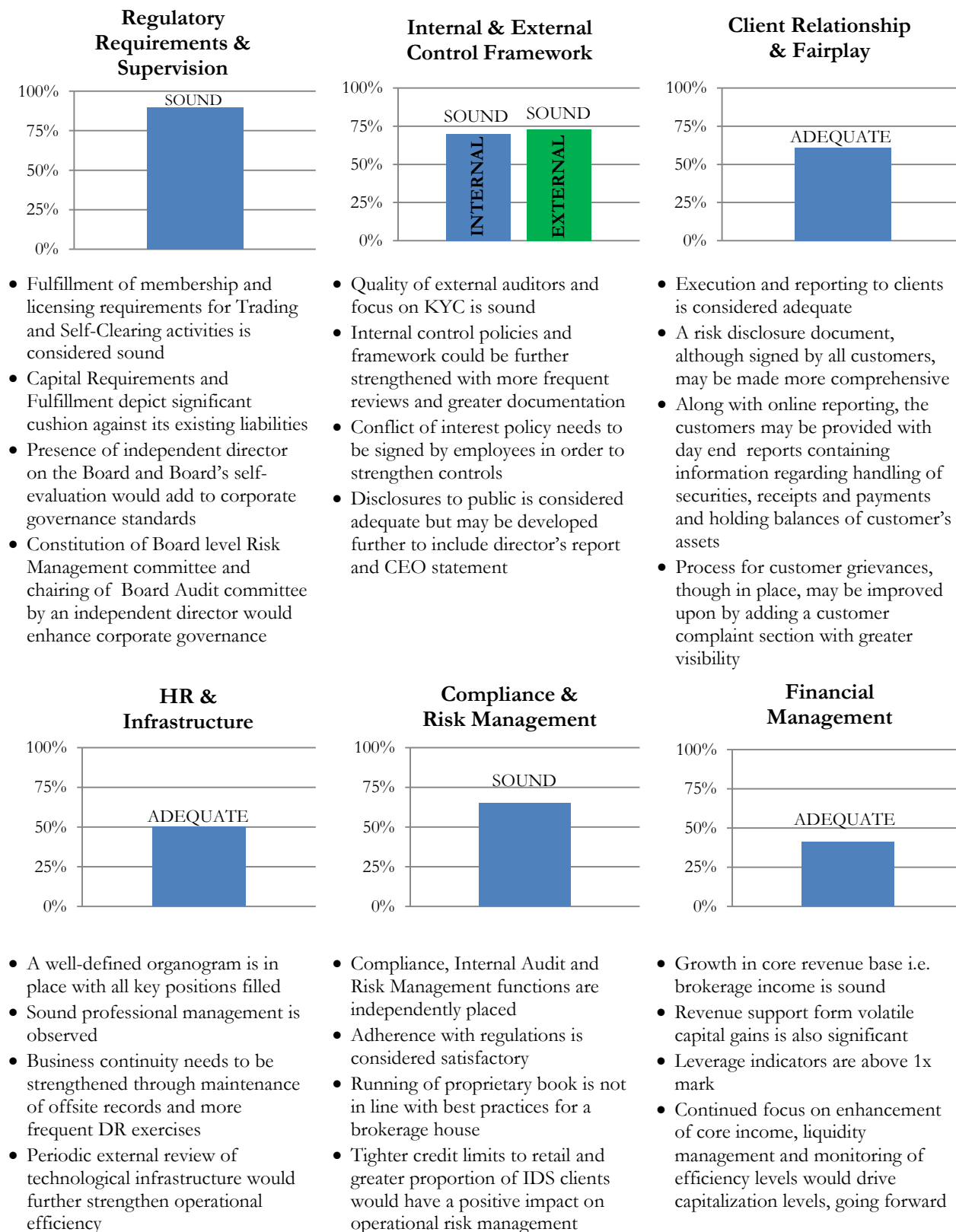
Corporate Profile

Intermarket Securities Limited (IMSL) was incorporated on September 6, 2002 under the Companies Ordinance 1984 as a private limited company. IMSL came into creation through the acquisition of ING Barings Pakistan’s (INGBP) business operations. INGBP, the brokerage and corporate advisory arm of Barings Bank decided to withdraw its physical presence from the sub-continent in 1998 due to lack of profitable business ventures. In 2009, it was subsequently converted into a public limited company. IMSL is now the flagship company of Intermarket Group (IMG). IMG is diversified in several business sectors including corporate advisory, construction, real estate and information technology.

The company holds a Trading Right Entitlement (TRE) certificate issued by the Pakistan Stock Exchange Limited (PSX). Shareholding of the company is held between two individuals; Mr. Azneem Bilwani owning 90% of the company and the remaining 10% belonging to Mr. Muhammad Javed Moti.



Rating Factors Scores



JCR-VIS Credit Rating Company Limited

RATING SCALE & DEFINITIONS: BROKER MANAGEMENT RATING

BMR1A

Excellent regulatory compliance, control environment, and financial management; governance and risk management frameworks are extremely effective; HR, IT, and customer services are strongly proactive.

BMR3++, BMR3+, BMR3

Adequate regulatory compliance, control environment, and financial management; governance and risk management frameworks are satisfactory; HR, IT, and customer services are adequate.

BMR1++, BMR1+, BMR1

Strong regulatory compliance, control environment, and financial management; governance and risk management frameworks are highly effective; HR, IT, and customer services are highly proactive.

BMR4++, BMR4+, BMR4

Inadequate regulatory compliance, control environment, and financial management; governance and risk management frameworks need improvements; HR, IT, and customer services are insufficient.

BMR2++, BMR2+, BMR2

Sound regulatory compliance, control environment, and financial management; governance and risk management frameworks are effective; HR, IT, and customer services are proactive.

BMR5

Weak regulatory compliance and business practices

Rating Outlooks:

The three outlooks 'Positive', 'Stable' and 'Negative' qualify the potential direction of the assigned rating(s). An outlook is not necessarily a precursor of a rating change. Refer to our 'Criteria for Rating Outlook' for details. www.jcrvis.com.pk/images/criteria_outlook.pdf

REGULATORY DISCLOSURES		Appendix II			
Name of Rated Entity	Intermarket Securities Limited				
Sector	Brokerage				
Type of Relationship	Solicited				
Purpose of Rating	Broker Management Rating (BMR)				
Rating History	Rating Date	Rating	Rating Outlook	Rating Action	
	RATING TYPE: BMR				
	10-6-2017	BMR2	Stable	Initial	
Instrument Structure	N/A				
Statement by the Rating Team	JCR-VIS, the analysts involved in the rating process and members of its rating committee do not have any conflict of interest relating to the credit rating(s) mentioned herein. This rating is an opinion on credit quality only and is not a recommendation to buy or sell any securities.				
Probability of Default	JCR-VIS' ratings opinions express ordinal ranking of risk, from strongest to weakest, within a universe of credit risk. Ratings are not intended as guarantees of credit quality or as exact measures of the probability that a particular issuer or particular debt issue will default.				
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