



# THE KARACHI STOCK EXCHANGE (GUARANTEE) LIMITED

Stock Exchange Building, Stock Exchange Road, Karachi-74000

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KSE/N-2631

Dated: April 21, 2005

## NOTICE FOR ALL MEMBERS

Subject: PHASING OUT OF COT WITH MARGIN FINANCING

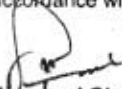
Further to Notice No. KSE/N-2460 dated April 19, 2005 on the subject.

All the members are hereby informed that the Minister of State for Finance, Mr. Omer Ayub Khan accompanied by the Chairman, Securities & Exchange Commission of Pakistan, Dr. Tariq Hassan and Commissioner (SM), Mr. Shahid Ghaffar met today with the Governing Board of the Exchange at the SECP Regional Office in Karachi and the following decisions were taken during the meeting:

1. The freezing date for COT position being April 29, 2005 as indicated in the schedule attached to SECP letter No. SMD/SE/2(20)2002 dated April 18, 2005 stands withdrawn.
2. The extended date for COT phasing out shall be August 26, 2005 instead of August 3, 2005 as notified earlier.
3. The weekly reduction of outstanding COT positions shall be 8.25% instead of 12.5% w.e.f. June 8, 2005.
4. The revised list of eligible securities for May future contracts shall be announced this evening.

The Board of Directors of the Karachi Stock Exchange and present on the occasion, former Chairman, KSE Board, Mr. Arif Habib, on behalf of the brokers community at large assured the SECP and Government of Pakistan that there will be no further request for COT extension and COT will no longer be dependent on margin finance, however, all parties will make concerted efforts to promote margin finance.

In accordance with the above decisions, the revised schedule is attached for information.

  
**Muhammad Ghufuran**  
Manager

**Encl:** As above.

**Copy to:**

Commissioner (SM), Securities & Exchange Commission of Pakistan  
Governing Board of Directors - KSE  
Managing Director, Lahore Stock Exchange (Guarantee) Limited  
Managing Director, Islamabad Stock Exchange (Guarantee) Limited  
Managing Director, Central Depository Company of Pakistan Ltd.  
Managing Director, National Clearing Company of Pakistan Limited  
Securities & Exchange Commission of Pakistan  
Notice Board