



NOTICE FOR ALL MEMBERS

Members of the Exchange are hereby informed that the Board of Directors of the Karachi Stock Exchange, after holding extensive consultations with stakeholders (including its members, fund managers, other exchanges, etc.) held an emergent meeting today. The Board observed that the continuous sharp decline in share prices can have implications for the wider financial system.

In view of the above, the Board, in terms of the powers described in the Regulations of the Exchange, **decided to place a floor based on the closing prices of securities of Wednesday, August 27, 2008**, both in the Ready and Futures Market, whereby the individual security prices will remain free to trade within the normal circuit breaker limits, but not below **the floor-price level** of August 27, 2008.

It was decided to introduce the above mechanism effective from August 28, 2008 till further notice.

The Board will engage SECP, State Bank of Pakistan and the Ministry of Finance to develop medium term measures for achieving stability in the capital market.


Haroon Askari
General Manager Operations

CC to:

- The Executive Director (SM), Securities & Exchange Commission of Pakistan.
- The Managing Director, Lahore Stock Exchange (Guarantee) Limited
- The Managing Director, Islamabad Stock Exchange (Guarantee) Limited
- The Chief Executive, Central Depository Company of Pakistan Limited
- The Chief Executive, National Clearing Company of Pakistan Limited
- The Chief, IT Division-KSE
- Market Control & Surveillance Department-KSE
- Clearing & Settlement Department-KSE
- Notice Board.
- KSE Website.