

**THE KARACHI STOCK EXCHANGE (GUARANTEE) LIMITED****KSE/N-3357****N O T I C E****June 10, 2009**

Reproduced hereunder letter No.SMD/SE/2(6)/2002 dated June,09,2009 received from **SECURITIES EXCHANGE COMMISSION OF PAKISTAN (Securities Market Division)** regarding Margin Financing, for information and comments of Members of the Exchange.

**(Copy of the same is also available on our Website [www.kse.com.pk](http://www.kse.com.pk)).**

\*\*\*\*\*



**SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN**  
(Securities Market Division)

SMD/SE/2(6)/2002

June 9, 2009

**Sub: Margin Financing**

The Securities and Exchange Commission of Pakistan (SECP) on May 5, 2009 revived the Consultative Group on Capital Markets under the chairmanship of Mr. Aftab Ahmed Diwan, Chief Operating Officer Central Depository Company of Pakistan Limited.

The Group having representation from Karachi Stock Exchange, National Clearing Company of Pakistan Limited, Banks, Mutual Funds, SECP and other capital market experts, functions as an independent think tank for important policy decisions in relation to the development of capital markets in Pakistan. The Group has been mandated to explore avenues of new product development including leverage products, debt capital market, new listings etc.

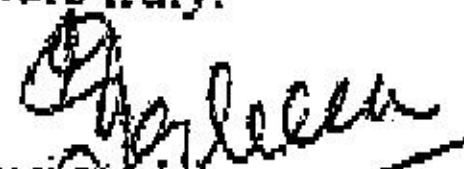
It was agreed that all recommendations of the Group shall be shared with the wider range of stakeholders so as to have their input and develop consensus before implementing important policy decisions impacting the capital markets in Pakistan.

In this context, the Group on June 5, 2009 submitted its first report on 'Margin Financing' which is enclosed herewith for your feedback/ comments. Please note that this report contains recommendations of the Group only and does not reflect the views / proposals of the SECP. The SECP shall review the recommendations of the Group in light of the feedback received from of the stakeholders.

For your convenience the Report has also been made available on the official website of SECP. You may send you feedback directly to [ml@secp.gov.pk](mailto:ml@secp.gov.pk).

The stock exchanges are requested to disseminate the Report to all of their members and submit views /comments on the same duly endorsed by their respective Board of Directors.

Yours truly,

  
Mushtaq Jabeen  
Director (SE)

**Distribution:**

Syed Sallim Raza  
Governor  
State Bank of Pakistan,  
11, Chundrigar Road,  
Karachi

page: 1/10