



THE KARACHI STOCK EXCHANGE (GUARANTEE) LIMITED

Stock Exchange Building, Stock Exchange Road, Karachi-74000, Pakistan

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KSE/N-397

January 27, 2010

NOTICE FOR ALL MEMBERS


LIST OF ELIGIBLE SECURITIES FOR TRADING IN CASH SETTLED FUTURES CONTRACT MARKET

The Exchange as per the clause 4 (iii)(a) of the Regulations Governing Cash Settled Futures Contract of the Exchange has determined the revised list of Eligible Securities for trading in Cash Settled Futures Contract selected on the basis of following criteria. The new list will be implemented w.e.f. May 2010 contract.

1. Companies that have average daily impact cost of less than 1%, based on daily Impact Cost on an order size of Rs. 500,000, during the review period.
2. Companies that have traded on more than 90% of the trading days during the last three months of review period.
3. Companies having average daily turnover of more than 250,000 shares during the review period.
4. Companies that have market price above par in at least 50% of the review period.
5. Companies that have free float of more than 20% of issued capital or 45 million free float shares.
6. Operating profit before tax in each of the last two years of operations.
7. Securities of Asset Management Companies, Mutual Funds and Brokerage Houses shall not be eligible.
8. Companies that do not have negative opinion in Auditor's report on the Companies Financial Statements (last audited report).
9. Companies that are not subject to any investigation by any regulatory body.
10. Companies not on the defaulter counter and have no pending inquiry against them by the authorities.
11. Free Float of the company must be in dematerialized form on CDS.

The list of approved Eligible Securities is enclosed herewith for information.

Members are requested to note the above.


SHAFOAT ALI

General Manager, Risk Management

Encl: List Attached

Copy to:

01. The Executive Director (SMD), SECP
02. The Managing Director, Karachi Stock Exchange (Guarantee) Limited
03. The Managing Director, Lahore Stock Exchange (Guarantee) Limited
04. The Managing Director, Islamabad Stock Exchange (Guarantee) Limited
05. The Managing Director, National Commodity Exchange Limited
06. The Chief Executive, Central Depository Company of Pakistan Limited
07. The Chief Executive, National Clearing Company of Pakistan Limited
08. The General Manager, I.T. Division-KSE
09. The General Manager, (Operation)-KSE
10. The General Manager, (Law)-KSE
11. The General Manager Market Control & Surveillance Department-KSE
12. The Deputy General Manager, (Operation)-KSE
13. Clearing & Settlement Department-KSE
14. Notice Board
15. KSE Website