

PRESS RELEASE

(Karachi: June 11, 2008) The Karachi Stock Exchange (KSE) reviewed the Federal Budget 2008-09 presented today before the National Assembly by Finance Minister, Syed Naveed Qamar, especially in the context of the capital market development in the country.

The KSE welcomed various measures announced by the Minister and termed it a 'balanced budget' despite all political turmoil, persistent rising inflation and worsening of all key economic indicators being faced by the country. The budget is aiming to avert the food crisis and boost the economy by strengthening the agricultural & industrial sectors.

The KSE appreciated the government's decision to continue with the on-going incentives for the capital market including extension of exemption of Capitals Gains Tax (CGT) on listed shares for another two more years, i.e. upto June 30, 2010 alongwith keeping the current tax regime on stock market unchanged in line with the earlier announcement made by the Government after a meeting of KSE's delegation with the relevant authorities. It has enhanced the government's credibility amongst the investors and will help in rehabilitating and enhancing the confidence of both domestic and international investors.