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(Karachi, September 11, 2009): Karachi Stock Exchange has adopted the Industry Classification Benchmark (ICB), a jointly developed classification system launched by FTSE Group and Dow Jones Indexes, to classify and analyse specific sectors of the Pakistan stock market using internationally accepted standards. The Industry Classification Benchmark provides a comprehensive system with four levels of granularity – industry (10), supersectors (19), sectors (41) and subsectors (114) and facilitates cross-border company comparison.

ICB will replace KSE's own classification system after a transition period in which KSE will run both classification systems parallel to allow a smooth adoption process.

ICB is the standard used by major stock exchanges, data distributors, index providers, buy side and sell side institutions, custodians and media organizations globally. KSE joins other exchanges and global financial institutions which have integrated ICB into their research, trading and investment workflows. These include NASDAQ, NYSE/Euronext, the London Stock Exchange, the Swiss Exchange, Aegon, the International Monetary Fund and the World Economic Forum, as well as media outlets including The Wall Street Journal, the Financial Times, CNBC and Dow Jones Newswires.

Adnan Afridi, MD KSE commented on the occasion, “The KSE is extremely pleased to adopt ICB methodology for classification of its listed companies. The growing interest of international investors in the Pakistan capital markets is both a reflection of the reforms undertaken at the KSE as well as a requirement that we adopt global standard/best practices so that all investors can make accurate/informed comparisons between listed securities at the KSE and other exchanges. The adoption of ICB will also assist in our efforts to introduce tradable sector indices as part of our overall strategy to introduce derivative and structured products at the KSE.”

James Cempola, Managing Director of ICB commented, “By adopting well-established global standards like ICB, upcoming financial markets can strengthen their transparency, comparability and hence draw the attention of international market participants. The Industry Classification Benchmark is a relevant, clear, strictly rules-based and accurate system which is designed to meet the needs of sophisticated investors. We are pleased that financial institutions in emerging Asia such as the Karachi Stock Exchange are choosing ICB to assist them in bringing their services in line with practices of the global investment community.”

More information available at [www.kse.com.pk](http://www.kse.com.pk) or [www.icbenchmark.com](http://www.icbenchmark.com)

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