



**JOINT PRESS RELEASE**

**Issued by KSE and SECP**

(Karachi, June 22, 2010): A meeting of the Securities and Exchange Commission of Pakistan, representatives of the Karachi Stock Exchange and some market participants was held today to discuss various aspects related to liquidity in the capital markets.

The draft Securities (Margin Financing, Securities Lending and Borrowing and Pledging) Rules, 2010 were discussed along with various risk management aspects related to leverage. It was agreed that detailed comments on these Rules will be shared by the Exchange with the SECP. It was also agreed that additional avenues of liquidity be explored to address the needs of the market.

To ensure timely introduction of liquidity products including a review of KSE's margin trading proposal, a Committee was constituted to submit its recommendations within 15 working days.

The Committee comprises representatives of the SECP, KSE Board of Directors, Pakistan Banks Association, Mutual Funds Association of Pakistan, some market participants and professionals.

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