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(Karachi, December 6, 2010): Mr. Cameron Munter, United States Ambassador to Pakistan visited the Karachi Stock Exchange on Monday, December 6, 2010. The Honorable Guest addressed the Members & other dignitaries at KSE Trading Hall. Mr. Cameron Munter has chosen the Karachi Stock Exchange to pay his initial visits immediate to his landing to Pakistan.

We are enclosing herewith speeches as delivered by Mr. Cameron Munter, United States Ambassador to Pakistan and welcome speech of Mr. Haroon Askari, Acting Managing Director- Karachi Stock Exchange delivered on the occasion.

Welcome Speech delivered by Mr. Haroon Askari, Acting Managing Director- KSE on December 6, 2010:

His Excellency Mr. Cameron Munter, the US ambassador to Pakistan, Members of the Exchange, my colleagues, distinguished guests, ladies and gentleman,

- 1. It is my great pleasure and honor to welcome you to Karachi Stock Exchange, the oldest and the largest stock exchange in Pakistan; KSE was incorporated as a Company Limited by Guarantee in March-1949 with only 5 listed companies, with only 37 million rupees market capitalization.at the time.**
- 2. Over the years, Pakistan's Capital Markets have taken significant strides and now we have over 650 companies listed, which have used the Exchange to raise capital, increase brand recognition and utilize Corporate Governance structure prescribed in our listing Regulations to reach international compliance standards. The market capitalization today is well above 3 trillion rupees.**
- 3. Karachi Stock Exchange and its new management's main focus is to conforms to the highest international standards for of our regulatory framework and our trading systems that ensure on one hand provision of a fair, efficient and a transparent trading platform for our clients here and abroad and on the other hand our robust risk management, market control and surveillance system help us ensure protection of investors against any unfair and improper trading practices that might take place.**



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4. Furthermore, we place heavy emphasis on better and fuller disclosure by the listed companies through submission of timely and accurate fillings of their financial statements, and for Brokers and other operators at the Exchange we have a prescribed minimum standard of code of conduct to follow, with a view to enhance their efficiency and professional performance.

5. Sir, you will be pleased to know that the market in turn has responded extremely well to the change that has taken place at KSE, the Karachi bourse has emerged as the best performing regional market for the month of November, after jumping over 8% on a monthly basis, discounting the adverse impact of :
 - the recent floods that devastated large parts of the country,
 - Ongoing huge security related expenses by the government that is a major drain on our finances and appears unsustainable.
 - As a result state bank had to increase the discount rate to 14%, to keep the inflation in check.

Despite all these factors,

The average performance of listed companies, as evidenced by their recent financial result were better than expected and their attractive valuation in terms of price-earnings multiples, dividend yield and price to book are still at a very attractive level. And, these sentiments have been well supported by the foreign portfolio in-flows which posted an increase of 132 %, to well over 40 million Dollars, for last one month.

Sir, it is our vision to become one of the world's leading Stock Exchange that can provide deep pools of liquidity in our equity and our debt market an Exchange, which can attract capital from across the world for our commerce and industry. This way, Karachi Stock Exchange can play its due role in the sustainable growth of our economy and help Pakistan prosper in a peaceful manner. And I ask all of you, present here today, to extend your fullest cooperation and assistance to us in realizing this objective.

Thank you,

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Photograph on Page 3

THE KARACHI STOCK EXCHANGE (GUARANTEE) LIMITED



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Mr. Cameron Munter, United States Ambassador to Pakistan is seen addressing the Members & other dignitaries at KSE Trading Hall on his visit to the Karachi Stock Exchange on December 6, 2010. Also seen in picture is Mr. Haroon Askari, Acting Managing Director-Karachi Stock Exchange who is delivering his welcome speech.