



SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN
Specialized Companies Division
Policy, Regulation and Development Department

No. PRDD/Circular/585/2013

June 11, 2013

CIRCULAR NO. 9/2013

Subject: Categorization of Open-End Collective Investment Schemes

This is further to Circular No. 7 of 2009 dated March 6, 2009 and Circular No. 32 of 2012 dated October 18, 2012 on "Categorization of open-end Collective Investment Schemes. The Securities and Exchange Commission of Pakistan (the "Commission") in exercise of powers conferred under Section 282B (3) of the Companies Ordinance, 1984 read with Regulation 55 (2) and 58 (2) of the Non-Banking Finance Companies and Notified Entities Regulations, 2008 hereby makes the following amendments in the investment parameters as prescribed by circular No. 07 of 2009 of open-end schemes categorized as Balanced Scheme and Asset Allocation Scheme:--

- i. A Balanced Scheme and an Asset Allocation Scheme shall be eligible to invest in exchange traded commodity future contracts.
- ii. At least 10% of the net assets of an Asset Allocation Scheme and Balanced Scheme shall be invested at all times in cash and near cash instruments which include cash in bank accounts(excluding TDRs), treasury bills not exceeding 90 days maturity.
- iii. A Balanced Scheme may invest upto 60% of its net assets in exchange traded commodity future contracts.
- iv. Investment parameters and miscellaneous requirements (except clauses 1, 2 and 15) stipulated under Circular No. 32 of 2012 shall be applicable on the schemes to the extent of exposure in commodities future contracts.

All the other requirements stipulated under the circular No. 07 of 2009 will remain unchanged.

This Circular shall come into force with immediate effect.


(Zafar Abdullah)
Commissioner (SCD)

Distribution:

1. Chief Executives, Asset Management Companies
2. Mutual Funds Association of Pakistan
3. Trustees of Collective Investment Schemes.