

# PRESS RELEASE

## SEC Chairman Meets Newly Elected KSE Board

**KARACHI – 9 January, 2004:** The Chairman Securities and Exchange Commission of Pakistan (SEC) Dr. Tariq Hassan met the newly elected Board of the Karachi Stock Exchange (KSE). Mr. Arif Habib, the new KSE Chairman welcomed the Chairman, SEC and assured him of the KSE's full support for all reform measures introduced by the SEC, including demutualization of the stock exchanges.

While welcoming the new Board, Dr. Hassan also thanked the outgoing KSE Chairman Mr. Ferozuddin Kassim and lauded the services being rendered by the Managing Director Mr. Moin Fudda. He assured the new Board that the SEC would continue its consultative process for holistic regulation of the financial sector. He stressed the need for enhancing the retail investor-base in the market and said that the SEC and the stock exchanges should work together for the development of the capital market and continuation of regulatory reforms. In this regard, he agreed to reinstate the Coordination Committee of the SEC and KSE, as suggested by the newly elected Chairman of KSE, and indicated that meetings would be held at regular intervals – the first meeting being in Islamabad later this month.

Chairman SEC also highlighted the need to improve the credibility of the capital market. He said that steps needed to be taken to further improve risk management at the stock exchanges and urged the stock exchanges to be more proactive in their capacity as front line regulators of the stock market. He said that the board and management should play their due roles – the former in policy formulation and the latter in the day-to-day operations of the exchange. He said that a committee comprising of experts and representatives from the stakeholders would soon be formed for demutualization of the bourses.