

PRESS RELEASE

CAPITAL MARKET REFORMS TO CONTINUE: SECP CHAIRMAN

KARACHI - 6 AUGUST 2007: The Chairman, Securities and Exchange Commission of Pakistan (SECP), Razi-ur-Rahman Khan has said that the SECP will continue its reforms process to improve the existing risks mitigation standards, introduce specialized market monitoring techniques and to ensure transparency and fair-trade practices in the market.

This he said while inaugurating a seminar on “Role of Derivatives in the Growth of Emerging Capital Markets” organized by the SECP in collaboration with the London Metropolitan University, here. The seminar was widely attended by the market participants, including representatives of brokerage houses, asset management companies, investment banks and commercial banks.

The Chairman SECP explained the SECP’s policy of taking initiatives to learn from the international experiences and to introduce the internationally acclaimed products and standards in the local capital markets. He viewed that the better and efficient products will attract more market participation.

During the seminar, a presentation was given by Mr. Clive Farrand, a senior lecturer at London Metropolitan University with an extensive experience in investment banking in the UK, Europe and Middle East. He introduced the various derivatives products presently traded in international markets through exchanges as well as on OTCs. He explained how such products brought diversification and investments options in the international markets for various types of investors. He advised the participant institutions to make small investments in such products in the international markets, to develop better understanding of the benefits.

The Chairman, Karachi Stock Exchange Mr. Shaukat Tarin, in his concluding remarks highlighted the significant growth in the Pakistani capital markets in the last two years, where foreign direct investment has grown tremendously. He observed that in international markets derivatives have emerged as pillars of financial system and the same are now inevitable for the emerging markets, including Pakistan. He apprised the participants on the progress of institutional capacity building of KSE and NCEL with special emphasis on marketing these investment avenues across the nation to increase the investors’ base. Mr. Tarin appreciated the recent reforms, including improvements in the governance standards, deregulation & liberalization of investments policies and fast-track privatization.