



Press Release

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For immediate release

Investor Protection and strong capital is key to SECP's regulatory regime

ISLAMABAD, October 29: The Chairman, Securities Exchange Commission of Pakistan (SECP) Zafar Hijazi said that investor protection and market integrity are the most significant pillars of a transparent, efficient and fair capital market.

He said this while chairing a meeting held to conduct the periodic review of the SECP's Enforcement Department's performance.

Referring to the scheme of integration among stock exchanges he said that the formation of Pakistan Stock Exchange (PSE) will go long way in creating a strong, vibrant and competitive financial and capital market to attract investment from domestic and international sources.

Integration of the stock exchanges, he said, will help reduce fragmentation of market and create a strong case for attracting strategic partnership necessary for providing technological expertise and assistance. We will thus be responding to the global trends towards integration of stock exchanges.

It may be added that the Federal Finance Minister Senator Ishaq Dar has congratulated the Chairman SECP and his team as well as the stock exchanges on this achievement. The Minister also appreciated the supportive role played by the SECP in facilitating the entire process of integration and its commitment towards implementation of other reforms for the capital market.

As for the enforcement measures, the Chairman SECP said that the protection of the interests of all investors and giving them due respect is central to the SECP regulatory regime.

He was apprised that it has been made mandatory for the brokerage houses to submit fortnightly report to exchanges on segregation of client's assets and the exchanges have been directed to ensure that NCB, system and statutory audit of brokers is conducted only by approved panel of auditors.

The Chairman desired that the auditors should inform the Commission, if, during audit, they discover evidences that the customer's assets are commingled with assets of the brokerage house as it is their obligation under Section 85 of the Securities Act 2015.

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