



## Securities and Exchange Commission of Pakistan

### Internal & External Communications Department

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#### ***PRESS RELEASE***

#### ***FOR IMMEDIATE RELEASE***

**ISLAMABAD – August 13, 2009:** The Securities and Exchange Commission of Pakistan (SECP) after taking into consideration the views and suggestions of a wide range of stakeholders including the State Bank of Pakistan, Mutual Funds Association of Pakistan, Pakistan Banks Association, Investment Banks Association of Pakistan Leasing Association of Pakistan, Modaraba Association of Pakistan, the three stock exchanges, National Clearing Company of Pakistan Limited and the Central Depository Company, finalized the Concept Paper on “Margin Financing”.

The Concept Paper has been forwarded by the SECP on August 6, 2009 to the stock exchanges for their consideration, once agreed with the exchanges will initiate necessary amendments in their regulations to facilitate the implementation process. The proposed financing mechanism has been devised in line with international best practices and keeping in view the local market needs.

Liquidity in trading is an essential requirement of any vibrant stock exchange and Margin Financing being a world wide, well-established financial instrument is expected to provide the needed liquidity to our markets and stimulate trading activity. The proposed product will provide an easy access to the retail investors for financing against shares.

The Concept Paper is available on the official website of the SECP [www.secp.gov.pk](http://www.secp.gov.pk).

*Ubaidullah S. Ansari (Director of Internal & External Communications/Official Spokesman)*

**TV Tickers:**

1. The Securities and Exchange Commission of Pakistan (SECP) finalized the Concept Paper on “Margin Financing”. **Ubaidullah S.Ansari, SECP SPOKESMAN**
  2. The proposed financing mechanism has been devised in line with international best practices and keeping in view the local market needs. **Ubaidullah S.Ansari, SECP SPOKESMAN**
  3. The proposed product will provide an easy access to the retail investors for financing against shares. **Ubaidullah S.Ansari, SECP SPOKESMAN**
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