

## **PRESS RELEASE**

### **SEC Chairman Addresses CFA Association of Pakistan**

**KARACHI - 30 July 2005:** The Chairman Securities and Exchange Commission of Pakistan (SEC) Dr. Tariq Hassan told the CFA Association of Pakistan that the SEC was conscious of the need for reform among financial professionals and was firmly committed to bringing about dynamism and professionalism among them. Dr. Hassan said this while addressing the Board meeting of the Association held in Karachi today.

Addressing the Board members, Dr. Hassan said that in cognizance of its mandate to protect investor interest and international developments, the SEC considered it expedient to bring the activities of financial professionals within the regulatory net. “We also recognize that further development of our financial markets requires that higher standards and superior quality of financial analysis and asset management are provided to the investors”, he added.

Elaborating on the consultative approach followed by SEC he said that he would like to bring on board those concerned, so that the policy and regulatory measures instituted by the SEC are sound and well-accepted. He said that a number of issues needed to be addressed, such as minimum qualification requirements for these professional service providers, their registration, as well as mechanisms for achieving integrity and independence. He also asserted that the regulatory structure in case of financial analysts must be defined.

Financial analysts exert considerable influence in today’s marketplace. Their recommendations can significantly influence a company’s stock price –particularly when these recommendations are widely disseminated through electronic and print media – besides influencing individual investment decisions. In view of their key role in the financial sector, Chairman SEC urged the CFA Association to assist the SEC in achieving its desired objectives of higher professionalism, technical proficiency and integrity among financial analysts and asset managers. He said that despite the odds, the SEC was determined to progress on this agenda.