



PAKISTAN STOCK BROKERS ASSOCIATION

(A company setup under section 42 of the Companies Act 2017)

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Bilal Farooq Zardi
Secretary General

Ref: PSBA/S1220-01

December 02, 2020

MR. SALMAN ARSHAD

Additional Joint Director - SMD

Securities and Exchange Commission of Pakistan
Islamabad.

Subject: **RECOMMENDATION FOR MARGIN FINANCING SYSTEM**

Dear Sir,

This is with reference to the subject captioned above, since the Commission is in the process of reviewing the Margin Financing System (MFS) as a whole in order to remove the practical difficulties. We, in pursuance of our earlier recommendations, would like to submit as under:

Presently, MFS is being allowed on current purchases in Regular Market. It is therefore recommended to allow the existing positions lying under the client's sub-account to shift to MFS as well. This will not only be making the better use of MFS as a product but will also be avoiding a two step process being practiced in current scenario.

Thank you for your kind consideration.

Regards,

Cc: Mr. Muhammad Lukman - CEO - NCCPL