

## KSE alters MTS rules...

Karachi Stock Exchange (KSE) has amended Securities (Leveraged Markets and Pledging) Rules 2011, as notified by SECP, bringing in changes in margin trading system (MTS) effective from February 6, 2012. According to KSE here Wednesday, broker trading financiers have been allowed to provide financing in MTS through their individual clients as well subject to fulfillment of eligibility criteria. Similarly, minimum financing participation ratio (MPR) has been revised from 25 % to 15 % i.e. minimum equity participation of the finance is 15 % of margin trading transaction value. The finances shall be required to deposit margins on their open position of MTS transactions. Accordingly, National Clearing Company of Pakistan Limited (NCCPL) has planned to implement the aforementioned changes in MTS as follows; Effective from Monday, broker trading financiers will be allowed to provide financing in MTS through their individual and corporate clients. However, existing requirement of individual FPR of 15 % will remain applicable till February 17, 2012. Brokers trading financing are required to submit an undertaking to NCCPL to confirm that their individual clients fulfill the eligibility criteria. Effective from February 20, 2012, the minimum requirements would stand reduced to 15 % in cash only.

## Monthly inflation up 1.54 % Jan Prices 10.10 % yoy

The inflation rate based on the Consumer Price Index (CPI), a key indicator of inflation, has increased by 1.54 % during January 2012 as compared with that in December, 2011. Analysts had forecast January inflation at 10 % according to a Reuters poll. Rising food and fuel prices were the major factors fuelling inflation. Briefing media persons here on Wednesday, the Secretary Statistics Division said that inflation increased by 10.10 % in January 2012 over the corresponding month of last year. Average inflation rate during the period from July-January 2011-12 increased by 10.76 % as compared to the same period of last year, he added. The Pakistan Bureau of Statistics (PBS) collects the retail and whole sale prices and computes the CPI, Whole sale Price Index (WPI), Sensitive Price Indicator (SPI) on weekly basis. In January, the CPI, SPI and WPI increased by 1.54 % 1.01 % and 2.26 % respectively over the month of December 2011. (TFD)

## IDB to invest \$40b for energy, uplift

Islamic Development Bank (IDB) will invest \$40 bn in Pakistan during next three years in energy sector and infrastructure development., Chief Executive of Islamic Cooperation for Insurance of Investment and Export Credit, a subsidiary of the bank, said this in exclusive talks with Online here on Wednesday. He said that Islamic Development Bank has made the investment of eight bn \$ during last two decades. Under the proposed programme IDB would provide financial support for uplift of social sector especially poverty alleviation. At present at least 100 projects are going on in collaboration with the bank. In addition to this the bank is playing the role of a bridge between the European markets and Pakistani exporters (TFD)

FIPI Update* (February 01, 2012)	(USD mn)
Gross Buy	2.06
Gross Sell	2.40
Net Buy/ (Sell)	(0.33)
<i>*Source NCCPL website</i>	
Total Foreign portfolio update**	2,379
<i>** Source SBP website</i>	

KSE 100 Index	
KSE 100 Index (February 01, 2012)	11,930.55
Change	55.60
Volume (mn)	93.44
KSE Market Capitalization (bn)	3,097.66
KSE Market Capitalization (USD)	34.41
SCRA (Jan 30, 2012) (USD)	1.06

GDR Update	(USD)
MCB (1GDR=2Shares)	2.60
OGDC (1GDR=10Shares)	16.00
UBL (1GDR=4Shares)	2.00
LUCK (1GDR=4Shares)	1.70
HUBC (1GDR=25Shares)	9.81

Key Financial Market Update	
CPI Inflation % (Jul11 - Dec - 2011)	10.87
FX Reserves Jan 20, 2011 (USD)	16.80
Current A/C (Jul 11- Dec 11) bn	(2.15)
Trade Balance (Jul 11- Dec 11) (USD)	(11.48)
6-Months KIBOR % Feb 01, 2012	11.83
PKR-USD parity Feb 01, 2012	90.54

Volume Leaders Feb 01, 2012	Vol (mn)
JSCL	19.20
MBF	7.30
DGKC	7.13
ANL	4.79
FFBL	3.82

Trading Signals generated on Feb 01, 2012	
CPL	Buy
FFBL	Buy
ICI	Buy
NCPL	Sell
UBL	Sell

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