

## **PSX Holds Gong Ceremony Upon Launch of ETFs**

**Karachi, October 6, 2020:** Pakistan Stock Exchange (PSX) held a gong ceremony today to formally mark the launch of Exchange Traded Funds (ETFs) at PSX. These ETFs are NIT Pakistan Gateway Exchange Traded Fund, UBL Pakistan Enterprise Exchange Traded Fund, Meezan Pakistan Exchange Traded Fund, and NBP Pakistan Growth Exchange Traded Fund.

The ceremony was attended by PSX Chairman of the Board, Mr. Sulaiman S. Mehdi & Members of the Board; CEO PSX Mr. Farrukh H. Khan; Chairman SECP, Mr. Aamir Khan who was the Chief Guest, Commissioner SECP, Mr. Farrukh Sabzwari & senior management of SECP; and Directors, CEOs & senior management of other capital market entities.

Speaking at the occasion, the CEO PSX, Mr. Farrukh Khan, said, “The launching of ETFs is an important development in the PSX growth story. Globally ETFs are now probably the single largest asset class, worth over \$7tn in market cap. So, it is not only exciting but it was imperative that we bring this innovative instrument to investors in Pakistan’s capital markets. We hope that this product will be a popular investment option for the retail and institutional investors. I would urge brokers and AMCs to produce research and educate investors about this unique and attractive investment product. This has the potential to increase share ownership and gains from the stock market to a broader segment of investors”.

In his key note address, SECP Chairman Aamir Khan said that SECP is determined for creating a more competitive and efficient playing field to ETFs through addressing tax disparities, achieving tax credit and working allowing investments in ETF through Special Convertible Rupee Accounts (SCRA). He said SECP is also taking measures to encourage more market makers to come up, increasing awareness and expanded outreach of ETFs and working to make ETFs available not just at Ready Counter, but at each and every counter including Futures, MTS etc. He also announced that another set of ETFs were under approval process, demonstrating that the market and investors are anticipating growth over the near term.

Speaking at the launch of the two new ETFs at Pakistan Stock Exchange, the MD NIT, Mr. Adnan Afridi, said, “I am very pleased to note other asset management companies in the country have also come forward following the initiative taken by NIT to launch their ETF products. This will go a long way in providing depth to the capital markets of the country”. The CEO of UBL Fund Managers Ltd., Mr. Yasir Qadri, said, “It is very humbling for UBL Funds to jointly launch the first ETFs of Pakistan. SECP has not only been supportive, they have played a leadership role in this pioneering initiative. Appreciation is also due for PSX team and the market makers.”

The CEO of Al Meezan Investment Management Ltd., Mr. Mohammad Shoaib, CFA, while expressing his excitement at the launch of the first Islamic ETF in Pakistan said that it was tracking one of the strongest and most diverse investment baskets. Dr. Amjad Waheed, CEO of NBP Funds, highlighted the benefits, flexibility and diversification that NBP Pakistan Growth Exchange Traded Fund offers to its investors by investing in 15 blue chip stocks listed at PSX across 6 sectors. The CEO of JSGL also spoke on the occasion. JS Global played a very important but less visible role as the Market Maker for the ETFs. Market Makers provide the essential service of ensuring liquidity for an investment product.

The ETF is an investment product which combines the returns offered by the stock market with the diversity offered by a mutual fund. It is a cost-effective, transparent and provides diversified investment opportunities to investors.