



## THE KARACHI STOCK EXCHANGE (GUARANTEE) LIMITED

Stock Exchange Building, Stock Exchange Road, Karachi-74000, Pakistan  
Phones: 111-001-122, Fax (021) 32462640

KSE/N – 3022

June 20, 2012

### NOTICE FOR ALL MEMBERS

#### RE-INTRODUCTION OF A SEPARATE ODD LOT MARKET AT KSE AND ALLOWING THE MEMBERS TO TRADE IN READY MARKET IN MARKETABLE LOTS

All Members are hereby notified that the Board of Directors of the Exchange in its meeting held on January 26, 2012 approved the re-introduction of two (2) Cash Markets i.e., Ready Market with Marketable Lots along with separate Odd Lots Market as per the following details:

- i. All book-entry securities may be allowed to trade in the Ready Market with following Marketable Lots to be reviewed and determined on six monthly basis, i.e. on June 30 and December 31 each year:

Market Price Ranges	Marketable Lots
Up to Rs. 100	500 shares
Rs. 101.01 to Rs. 500	100 shares
Rs. 501.01 to Rs. 1,000	50 shares
Above Rs. 1,000	20 shares

- ii. The National Clearing Company of Pakistan Limited (NCCPL) shall be responsible for six (6) monthly reviewing the Marketable Lots for Ready Market in consultation with all stock exchanges and implement the same with 30 days' advance notice to market participants and the exchanges.
- iii. An investor having shares in Odd Lots may be allowed to trade through Odd Lots Market at the Exchange with following parameters:
- Time-Price priority will be applicable;
  - A UIN (a client) will be allowed to trade up to 1 share lesser than its applicable Marketable Lot on accumulated basis during a trading day;
  - Wider Circuit Breakers (CBs) i.e., Rs. 2 or 10%, whichever is higher, will be applicable on Odd Lots Market;
  - CBs for a security in Odd Lots Market will be based on previous trading day's Closing of Price of such security in the Ready Market;
- iv. All trades executed either through Ready Market or Odd Lots Market will be taken into account by the Exchange for its risk management and surveillance purposes and will be settled through NCCPL on net basis.
- v. The Exchange will implement Ready Market with Marketable Lots along with a separate Odd Lots Market after giving 30 days' notice in advance to all market participants.

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- vi. There will be no change in the Closing Price Mechanism for Risk Management purposes and application of next trading day's CBs.
- vii. Same Marketable Lots will be used for Pre-open session of Ready Markets through KATS.
- viii. On listing of an ETF at the Exchange, all securities included in formation of such ETF will be allowed to trade in Marketable Lots of 1 share multiple after giving 30 days' advance notice to the market participants.

The Board in its meeting held on June 19, 2012 directed the management of the Exchange to reintroduce two (2) separate cash markets i.e., Ready Market with Marketable Lots along with separate Odd Lots Market and advise National Clearing Company of Pakistan Limited to facilitate settlement of trades through two (2) separate cash markets on net basis.

Therefore, we hereby notified to all market participants that two separate cash markets as decided by the Board will be reintroduced at the Exchange effective from Monday, July 23, 2012.

Members are requested to note the same



**SHAFQAT ALI**  
*General Manager*  
Risk Management, Market Controls and Surveillance

**Copy to:**

01. The Director (SRDD), SECP, Fax 051-9218595, E-mail: [smd.notices@secp.gov.pk](mailto:smd.notices@secp.gov.pk)
02. The Managing Director, Karachi Stock Exchange (Guarantee) Limited
03. The Deputy Managing Director, Karachi Stock Exchange (Guarantee) Limited
04. The Managing Director, Lahore Stock Exchange (Guarantee) Limited
05. The Managing Director, Islamabad Stock Exchange (Guarantee) Limited
06. The Chief Executive Officer, Central Company of Pakistan Limited
07. The Chief Executive Officer, National Clearing Company of Pakistan Limited
08. All Departmental Heads-KSE
09. Notice Board
10. KSE Website