

PSX/N-899

September 13, 2024

INVESTOR ALERT

FRAUDULENT SOCIAL MEDIA INVESTMENT GROUPS ON THE RISE

Pakistan Stock Exchange Limited (PSX) is issuing this investor alert regarding the surge in fraudulent activities promoted through social media and WhatsApp groups under the guise of investment advices and training courses. The scammers may misuse the name of the registered professionals or claim to be affiliated with a legitimate company to lure investing public to participate in unauthorized investment schemes.

These fraudulent groups and media pages demand fees from individuals to grant them membership, promise exclusive access to insider tips and provide training on investments. The major suspicions include requests to transfer money to a private or third-party account, promises of exorbitant profits, claims of no or minimal risk and promises of providing valuable investment tips.

To avoid becoming a victim of such types of scams, the investing public are warned to be wary and alert of unsolicited investment advices received through messages/e-mails and other social media platforms including popular applications such as WhatsApp.

To stay safe from possible scams, the following precautions must be taken:

- **Background check and verification:** Make sure that you are dealing with the licensed professionals and entities by conducting research from PSX and SECP websites. Do not blindly trust the information received from a supposed investment professional or social media platform.
- **Do not share information:** Do not share personal or financial information such as username, password, or bank account information with unknown persons or unverified sources. Be extra cautious if you are asked to share information to a personal email address or mobile number, or to send money directly to the individual or a third party.
- **Be alert to red flags of fraud:** Be particularly wary if someone promises guaranteed fixed return or exorbitant returns with minimal or no risk. If someone persuades you for investment that is neither being looked for nor suits the investor profile or compels you to transfer money or invest quickly, it can be a critical indicator of fraudulent activity.
- **Do not fall for unsolicited investment advice:** Be cautious from urgently responding/reacting to any unsolicited messages or engaging in activities offering unsolicited advice on investments without confirming their authenticity. Engaging with unverified entities/ groups may lead to significant financial losses.



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- **Check URLs and e-mails addresses:** Scammers often use e-mail addresses or URLs similar to registered firms. Poor spelling and grammar in messages, account names, or URLs can be a sign of a scam. Always watch out for spelling mistakes in URLs and emails before opening any attachment or clicking on any links received through social media platforms.
- **Research before investing:** Conduct your own research, go through the relevant company's financials and perform proper due diligence before opting for such investment opportunity.

Investors are advised to regularly visit the official websites of SECP, PSX, CDC and NCCPL in order to keep themselves updated and make well-informed and prudent investment decisions.

Investors are advised to report any suspicious activity immediately to PSX through any of the following modes:

1. **Mailing Address:** Regulatory Affairs Division, 2nd Floor, Stock Exchange Building, Stock Exchange Road, Pakistan Stock Exchange Limited.
2. **E-mail Address:** investor.complaints@psx.com.pk
3. **Helpline:** 021-32471627, +9221 111-00-11-22 **Ext:** 4562 and 4566

On behalf of the Regulatory Affairs Division of Pakistan Stock Exchange Limited.