

5<sup>th</sup> November, 2003

**STATE BANK INVITES SUGGESTIONS/ VIEWS ON DRAFT REGULATIONS FOR FINANCING TO BROKERS BY BANKS/DFIs**

The State Bank of Pakistan has issued draft regulations for financing to brokers by banks/DFIs. These regulations, which have been prepared by a working group comprising of representatives from SBP, SECP, banks, Karachi Stock Exchange and stock brokers, are designed to facilitate the transition from Badla to Margin Financing in Stock Exchanges of Pakistan, to encourage active participation of banks in this area and to ensure that the relevant activities are undertaken in a prudent manner. The draft of these Regulations has been placed at the SBP website ([http:// www.sbp.org.pk](http://www.sbp.org.pk)).

Views/suggestions on these draft regulations are invited from all external stakeholders and may be sent to Mr. Muhammad Kamran Shehzad, Director, Banking Policy Department, State Bank of Pakistan, Karachi through mail, fax or e-mail latest by 20<sup>th</sup> November, 2003 (fax No.021-9212506, e-mail: [kamran.shehzad@sbp.org.pk](mailto:kamran.shehzad@sbp.org.pk)).

It may be recalled that the Deputy Governor, State Bank of Pakistan, Mr. Tawfiq A. Husain, had announced at a press conference held in Karachi on October 28, 2003 that the draft of these regulations would be placed on SBP's website within four weeks for feedback from the external stakeholders.

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