

# 15 years of Financial Markets Association of Pakistan



## MESSAGES

**DR ABGUL HAQUEE SHAH**  
Minister of Finance  
Pakistan

I AM happy to know that the Financial Markets Association of Pakistan (FMAP) is celebrating its 15th anniversary.

Foreign exchange rate management and monetary policy are amongst the key tools that the Government utilizes for managing the country's economy. I am happy to see FMAP collaborating with SBP in developing the market and exploring new options for its betterment in line with Government policies.

FMAP has over a period of time, contributed to the development of recognized market benchmarks like Karachi Intra Bank Offer Rate (KIBOR) and Karachi Overnight Index Average (KONIA), while introducing innovations such as pricing benchmark securities and foreign exchange contracts.

Moreover, FMAP's role in the development of criteria for broker accreditation, regulation and code of conduct and market practice is commendable.

During a period of strong global growth, growing capital flows, and prolonged stability earlier this decade, market participants sought higher yields without an adequate appreciation of the risks and failed to exercise proper due diligence.

At the same time, weak underlying fundamentals, upon which this management process, increasingly complex and opaque financial products, and consequent excessive leverage contributed to create vulnerabilities in the system. Policy-makers, regulators

**YASHEEN ANWAR**  
Acting Governor  
State Bank of Pakistan

I AM delighted to learn that the Financial Markets Association of Pakistan (FMAP) has successfully completed 15 years of its existence and would like to congratulate it on this auspicious occasion.

FMAP has emerged as an effective interface with the regulator and would like to congratulate it on this auspicious occasion.

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**MANFRED WIEGGEN**  
President ACI The Financial Markets Association

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**EDDIE TAYLOR**  
President ACI The Financial Markets Association, Asia

CONGRATULATIONS to the Financial Markets Association of Pakistan (FMAP) on your 15th anniversary of establishment.

The strategic executive committee took office in August 1996, being elected by the financial markets community. FMAP's primary objective during the aforementioned period included the establishment of the Terms of Reference of the Technical Committee.

The technical committee's composition was revamped, increasing its membership strength to 12 members, comprising not only the President and General Secretary, but also representatives from local banks, 1 from foreign banks and 1 from the Islamic banks.

Major issues dealt with by the technical committee during this period include:

- Review of code of conduct for brokers before submission to SBP.
- Approval of Overnight Index Average (ONIA) prepared by sub-committee on the structure of Karachi Intra Bank Offer Rate (KIBOR) and Karachi Overnight Index Average (KONIA).
- Approval of revised anti-bribe code of conduct for brokers prepared by sub-committee on the structure of Karachi Intra Bank Offer Rate (KIBOR).
- Revision of code of conduct for accountants before submission to SBP.
- Approval of Overnight Index Average (ONIA) prepared by sub-committee before submission to SBP.

FMAP teamed up with Economic Institutions to hold three ACI dealing certificate workshops during this period.

The ACI Dealing Certificate is a foundation program that allows candidates to acquire a working knowledge of the structure and operation of the major foreign exchange and money markets.

## FMAP achievements 2009-2011

By Shafiq M Khan of A-Team Zameer

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Multiple Vice Presidents

Each year, FMAP has selected National Institutional Facilitator (NIFT) for the compilation and dissemination of KIBOR, KONIA, and FMAP information to multiple service providers. This way, transparency will be ensured in the dissemination of information in real-time to each vendor, thereby manufacturing complete ownership of this data to FMAP.

Website Development of this data to FMAP.

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Entertainment All work and play makes Jack a dull boy. In line with this notion, to bring the market participants closer, FMAP hosted a variety of entertainment events, which included

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**Financial Market Association of Pakistan**

for inviting us to setup

**Data Aggregation Facility**

for processing real time data to determine and disseminate

**KIBOR / KONIA / PKHV**

to stakeholders in a secure and neutral environment

**Financial Markets Association of Pakistan**

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- JS Global received Best Foreign Exchange Brokerage House Award 2010 by the Financial Markets Association of Pakistan
- Ranked amongst the Top 3 Commodity Brokers by the Pakistan Mercantile Exchange
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BMA Capital is the winner of the Corporate Finance House of the Year (Equity & Advisory) 2010 accolade by CFA Association of Pakistan. This is in addition to the top award for investment banking by Euromoney's 2010 Awards for Excellence.

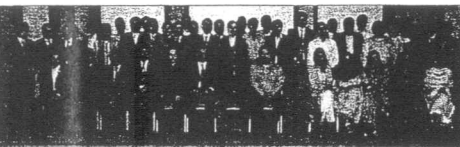
FT's The Banker also awarded BMA second prize in its annual 'Deals of the Year' 2011 for Asia Pacific, won for the third year consequently since 2009.

**ZIBMA**  
Zimbabwe Investment and Development Centre

Existing brokerage houses were revaluated under the new brokerage accreditation criteria and those brokerage houses which were found to be unviable, their accreditation was revoked. To instill a spirit of competitiveness amongst the existing brokerages for the first time, best FX broker and best MFI broker awards were constituted.

Completion and Dissemination of Real-time Data to

# ACI Education Programme



First ACI Dealing Workshop participants photographed with the Examread trainers, Mr. Asad Qureshi, ED-FINRAIS, SIF and Muhammad Ali Malik, Director, IOMMD, State Bank of Pakistan.

ACI Education Programme provides a globally acknowledged, portable, professional qualification that enhances career prospects, improves job performance, and sets benchmarks within the industry. ACI regularly communicates with a wide range of national regulators on the education and training of market participants. ACI also works closely with regulatory bodies in a number of countries to ensure that market standards, ACI's examinations and regulatory requirements are fully in consonance. All of the ACI examinations are electronically delivered in English by Prometric.

## ACI DEALING CERTIFICATE

The ACI Dealing Certificate is a foundation program that allows candidates to acquire a working knowledge of the structure and operation of the major foreign exchange and money markets, including the ability to apply the fundamental mechanisms used in these markets, and their core products (cash, forwards and derivatives), and the basic skills required for competent participation, including the ability to apply the fundamental

## ACI DIPLOMA

The ACI Diploma builds on the ACI Dealing Certificate and the ACI Operations Certificate and is designed to ensure that candidates acquire a superior theoretical and practical knowledge of the foreign exchange and money markets, their related instruments, and the linkages that exist between these markets and the practice of risk management. Candidates are expected to have acquired a solid grounding in the core subjects areas and have the requisite skills in financial mathematics prior to matriculating for the Diploma.

## ACI FOUNDATION

The ACI Foundation was established in 1996 as a UK registered Charity. The Foundation is managed by a group of Trustees with representation from both within ACI and from outside. The Foundation's objective is to advance the education of the public in such subjects relating to money, bonds, derivatives, equity investments, pensions, mortgages and finance generally as the trustees shall determine.

## Bursary Program

In 2011, the Foundation decided to establish its Bursary programme in respect of the examination fees for ACI's suite of professional examinations whereby, the ACI Foundation would accept applications for Bursaries. In respect of the examination fees for the ACI Dealing Certificate, the ACI Operations Certificate and the ACI Diploma. Bursaries would be limited to a maximum of 50% of the examination fee prevailing at the time of application. Bursaries would be limited to one per candidate at each level of the ACI examination programme.

# EXECUTIVE COMMITTEE (2009-2011)

Chairman	President	Vice President	Secretary
Head of Money Mkt	Head of Foreign Ex	Head of Islamic Finance	Head of Treasury
Head of Finance	Head of Risk Mgmt	Head of Compliance	Head of Operations
Head of HR	Head of IT	Head of Legal	Head of Marketing

## Global standards, local knowledge

**BURJ**  
Capital

Burj Capital Pakistan (Private) Limited  
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**DR ABDUL HAFEEZ SHAIKH**

and supervisors, in some countries, did not adequately appreciate and address the risks building up in financial markets, keep pace with financial innovation, or take into account the systemic ramifications of domestic regulatory actions. Moving forward, it is upon the foreign exchange (FX) and money as a "master piece" seeking for further concrete decisions that will have positive impact on the country as a whole.

Throughout the world, FX, MM, and derivatives comprise the biggest portion of financial markets. And Pakistan is no different. Your work will be guided by a shared belief that market principles, sound risk management regimes, and effectively regulated financial markets foster the dynamism, innovation, and entrepreneurship that are essential for economic growth, employment, and poverty reduction. With this, I believe there is further room for development in the FX, MM, Government securities, and derivatives markets and encourage FMAF to play a proactive role in this regard.

**YASREEN ANWAR**

attention that ever mild contemporary financial markets management practices as today we live in a world of most complex financial management that demands us to constantly embark upon training and development activities.

## A HISTORY OF ACHIEVEMENTS

## A PROMISE OF VALUE

"Best Domestic Debt House" ASIAHQWEY

"Best Equity Research House" CFA Association of Pakistan

"Best Money Markets Brokerage" Financial Markets Association Pakistan

Carachi Lahore

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"developing international investors" used best practices and code of conduct for our domestic financial markets. Nevertheless, there is much room in this sphere as it is not clear that such practices have been going through swift reforms.

I am confident that Pakistan's financial sector is resilient enough to absorb both the internal and external shocks. Its inherent strength enables us to withstand the turmoil in the international financial markets caused by the recent wave of economic and financial meltdown in US and some of the European economies. However, in the present global economic scenario, it is emphasized that all stakeholders of Pakistan's financial market will surely have to be more vigilant to safeguard their country's interest.

As a member of the International Financial Markets Association (IFMA), which enjoys the status of a Self-Regulatory Organization (SRO) in Pakistan, to keep a vigilant eye on the development taking place in the world's financial markets, we can collectively employ an effective and forward looking approach towards the development of our domestic financial markets. I hope the Financial Markets Association of Pakistan will successfully achieve its objective and continue to contribute in the development of domestic financial markets in the country with IFMAF all the successful endeavours.

**MANFRED WIEGGEN**

As the ACI and the FMAF are both a not-profit association body of the

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