



FINANCIAL MARKETS ASSOCIATION OF PAKISTAN

An Association incorporated under Section 42 of the Companies Ordinance, 1984.

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MEMBERS EXECUTIVE COMMITTEE

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18th October, 2010

To,
Heads of Treasury/ Chief Dealers,
Banks/ NBFIs
Chief Executives/ Heads of Treasury,
Brokerage Houses

**SUBJECT: Master Circular Letter-Brokerage rates for Foreign
Exchange, Money Markets, and Government
Securities Dealing**

Dear All,

Financial Markets Association of Pakistan (FMAP) has noticed that brokerage rates for foreign exchange, money markets, and securities dealing are not in the form of a master circular letter; rather in the form of circulars issued from time to time, either through the platform of committees/ associations merged into FMAP or FMAP itself.

In this regard, FMAP announces to bring all forms of brokerage rates under one umbrella circular with immediate effect:

Money Market: (Ref FMAP letter dated May 05, 2003)

Repo/Outright deals against GOP Securities (Tbills, FIBs and PIBs) and call transactions among scheduled banks will have the following tariff structure:

<u>Tenor</u>	<u>Brokerage rate</u>
Overnight to 185 days	0.0325% p.a
186 to 365 days (366 days in case of leap year)	0.0225% p.a
More than 1 year	0.0200% flat



Minimum brokerage on all repo/outright/call placements will be PKR 325 (any outright call of PKR 50Mio or less will have no brokerage)

Direct deals settled through brokers will have brokerage of PKR 325

Clean placements where one or both the counterparties are NBFI, brokerage rate is 0.05% p.a for the tenor of the deal. Any transaction for more than one year will be capped at one year @ 0.05%

FX: (Ref FERC letter dated December 31, 2003)

Ready/Outright Rs. 2,000 for USD 1Million

Swap*

O/N Rs. 500 for USD1 Million

Upto 1 week Rs. 2,000 for USD 1Million

Over 1 Week Rs. 4,000 for USD 1Million

* Above rates on swap is applicable on one leg only

Masood Wahedna
Treasurer

M. Abdullah Ahmed
General Secretary