



# FINANCIAL MARKETS ASSOCIATION OF PAKISTAN

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

**Treasury Department**  
Meezan Bank Limited,  
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(Affiliated with ACI)

**President**

**Shah M. Azim Azmi**  
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**General Secretary**

**M. Abdullah Ahmed, ACIF, FIM**  
Executive Vice President  
Treasury & Financial Institutions  
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**Assistant Secretary**

**Muhammad Ismail Usuf**  
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**Treasurer**

**Masood A. S. Wahedna**  
VP / Divisional Head  
Treasury & Investments  
The Bank of Khyber  
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**MEMBERS EXECUTIVE COMMITTEE**

**Hasan Zia Syed**

Deputy General Manager  
Team Leader - TMU  
Habib Bank Limited  
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**Muhammad Anees**

Assistant Vice President &  
Chief Dealer  
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**Qasim Nadeem**

Senior Dealer - ALM  
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**Syed Zain Raza Kazmi**

Dealer Money Market  
Treasury  
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**Kashif Rafi**

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JS Investments Limited  
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December 02, 2011

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

Subject: **Brokerage Rate – Money Market, Foreign Exchange,  
Government Securities – CLARIFICATION.**

With reference to the subject and Master Circular Letter on Brokerage dated 18<sup>th</sup> October, 2010 and subsequent addendum to Master Circular Letter dated 21<sup>st</sup> January 2011, we wish to inform you that the Brokerage rates for Money Market and Foreign Exchange Transactions mentioned in the Master Circular are to be taken as ceilings for brokerage in Money Market, Foreign Exchange and Government Securities (i.e these are the maximum brokerage rates allowed). Banks/NBFIs are advised to not to execute any transaction on NIL Brokerage. Banks/NBFIs are however free to negotiate rates among themselves.

The Maximum rates for:

**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



Brokerage on all overnight repo/outright/call placements will be PKR 325 or 0.0325% p.a which ever is higher

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\***

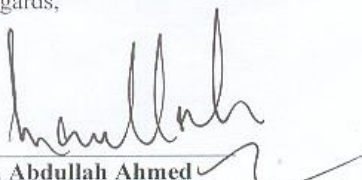
O/N Rs. 500 for USD1 Million

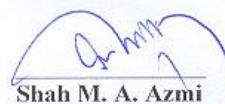
Upto 1week Rs. 2,000 for USD 1Million

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

\* Above rates on swap is applicable on one leg only  
Banks/NBFIs are allowed to negotiate rates with Brokerage Houses  
No transaction on NIL Brokerage

Regards,

  
M. Abdullah Ahmed  
General Secretary FMAP

  
Shah M. A. Azmi  
President FMAP