



Press Release

Bank of Punjab Becomes Market Maker for Debt Securities on PSX



Karachi, December 18, 2020: Pakistan Stock Exchange (PSX) held a Gong Ceremony to welcome Bank of Punjab (BOP) on-board as a Market Maker for debt securities on PSX. An agreement was signed between PSX and BOP today at PSX Trading Hall whereby BOP becomes the first bank to be recognized as Market Maker for both conventional and Shariah Compliant debt instruments on PSX. The agreement was signed between Mr. Farrukh H. Khan, MD & CEO, Pakistan Stock Exchange, and Mr. Zafar Masud, President & CEO, Bank of Punjab. Also present at the ceremony was the BOP Group Head of Treasury and FIs, Mr. Khawar Ansari, and senior management of both the organizations. Bank of Punjab, a prominent commercial bank of Pakistan, now becomes a designated Market Maker for debt securities on Pakistan Stock Exchange. This development is in-line with the notification issued by the SECP which allows banks to act as Market Makers for debt securities.

On this occasion, Mr. Farrukh Khan, the CEO of PSX, said, "I am very happy to welcome Mr. Zafar Masud and BOP to PSX. It is indicative of their commitment to the development of Pakistan's capital markets that BOP is one of the first banks to become a market maker on PSX. We welcome this development as this will lead to increased growth and dynamism in the debt market, which is crucial for the economic progress of Pakistan". He further stated, "It is imperative for all stakeholders of our financial ecosystem to take

Pakistan's debt market to regional and international levels and we believe this step will play a significant role towards achieving that end. We are also in discussions with BOP to bring some of their SME clients to list on the new GEM board. This will also be an important development for Pakistan's economy, the SME sector and PSX".

The CEO of Bank of Punjab, Mr. Zafar Masud, added, "Today marks an important day for us. The Bank of Punjab will be the first bank in Pakistan Market Making for both conventional and Shariah Compliant securities as well as corporate debt instruments at the PSX portal. This makes us the first public sector bank offering a bouquet of services in collaboration with PSX". He further stated, "We see our role expanding beyond a Market Maker for Debt Securities. Through this agreement, we are committing to becoming a leading player in development of capital markets in Pakistan by enabling greater investor participation and enabling listing of more debt, equity and non-conventional instruments at PSX".

Speaking about his vision for future cooperation with PSX, he said, "I believe we can partner with PSX in promoting privatization and listing of public sector projects for example Punjab Thermal Power and Quaid-e-Azam Solar Power through the Stock Exchange. Moreover, we plan to design instruments to bring projects like Kamyab Jawan Program, SME financing project and low cost housing scheme to PSX platform".

The BOP CEO emphasized the role of Bank of Punjab in the capital market and economy of Pakistan, stating, "The Bank of Punjab is one of the largest commercial banks in Pakistan serving through a network of 629 branches. Today, BOP stands as one of the biggest banks managing assets in excess of PKR 1.0 trillion and Capital Adequacy Ratio of 17.18%.

The bank is one of the most active and largest "socially responsible" banks, contributing to economic development and social uplifting through various programs. During last one year alone, the Bank of Punjab has emerged as the most active participant in various social protection and economic uplift programs. The bank is leading the efforts to provide financing under SBP COVID-19 schemes, promotion of housing finance in Pakistan, SME sector development and promotion of entrepreneurship through Kamyab Jawan Program. The bank aims to becoming one of the most active players in the Pakistani capital markets. State Bank of Pakistan recently awarded BOP the status of Primary Dealer of GoP Debt Securities. The bank is also an authorized dealer of GoP Shariah Compliant securities.

With the signing of this agreement, Bank of Punjab will be able to perform market making activities for various debt instruments such as Government Debt Securities. Market Makers perform the crucial role of providing liquidity and depth to the market by facilitating investors to buy & sell securities through continuously quoting two way prices, i.e. bid and offer prices.
