

## Second South Asian Capital Markets Conference held

The South Asian Federation of Exchanges (SAFE) and Dhaka Stock Exchange jointly organised Second South Asian Capital Markets Conference 2008, a two-day high-profile meeting with the theme of integration of regional securities markets in Sheraton Hotel in Dhaka on January 31 and February 1, 2008. The Honourable Finance Adviser of the Peoples' Republic of Bangladesh Dr. A.B. Mirza Md. Azizul Islam was the Chief Guest in the opening session. Mr. Faruq Ahmad Siddiqi, Chairman of the Securities and Exchange Commission, Bangladesh was the Special Guest while Mr. Rajnikant Patel, Chairman of the SAFE, and Managing Director of the Bombay Stock Exchange, Mr. Nasir Ahmed Chowdhury, President of the Chittagong Stock Exchange, Prof. Salahuddin Ahmed Khan, Chief Executive Officer of the DSE and Mr. Aftab Ahmad Ch, Secretary General of the SAFE spoke on the occasion. Mr. Ahmad Rashid Lali, Vice-Chairman of the SAFE, and Senior Vice-President of the DSE, gave vote of thanks.



*Dr A.B. Mirza Md. Azizul Islam, Honourable Finance Adviser, Mr. Faruq Ahmad Siddiqi, Chairman of the Securities and Exchange Commission, Mr. Rajnikant Patel, Chairman of the SAFE, and Managing Director of the Bombay Stock Exchange, Mr. Ahmad Rashid Lali, Vice-Chairman of the SAFE, and Senior Vice-President of the DSE, Mr. Nasir Ahmed Chowdhury, President of the Chittagong Stock Exchange, Prof. Salahuddin Ahmed Khan, Chief Executive Officer of the DSE and Mr. Aftab Ahmad Ch, Secretary General of the SAFE at the opening session of Second South Asian Capital Markets Conference, 2008 in Dhaka Sheraton Hotel on January 31, 2008*

The conference facilitated the integration process as regulators, central bankers, brokers, market players and other market intermediaries of the region attended the conference and exchanged their views. There were six sessions of panel discussions in the conference. 13 stock exchanges of Bangladesh, Bhutan, India, Maldives, Mauritius, Nepal, Pakistan and Colombo are the members of the SAFE. Addressing the programme, the Finance Adviser said the government

would support the moves taken for the development of the securities markets in the South Asian region.



*(1) Dr. A.B. Mirza Md. Azizul Islam, Honourable Finance Adviser, (2) Mr. Faruq Ahmad Siddiqi, Chairman of the Securities and Exchange Commission, (3) Mr. Rajnikant Patel, Chairman of the SAFE, and Managing Director of the Bombay Stock Exchange, (4) Mr. Ahmad Rashid Lali, Vice-Chairman of the SAFE, and Senior Vice-President of the DSE, (5) Mr. Nasir Ahmed Chowdhury, President of the Chittagong Stock Exchange, (6) Prof. Salahuddin Ahmed Khan, Chief Executive Officer of the DSE and (7) Mr. Aftab Ahmad Ch, Secretary General of the SAFE addressing at the opening session of Second South Asian Capital Markets Conference, 2008 in Dhaka Sheraton Hotel on January 31, 2008*

‘I am, as finance adviser, doing to my capacity for the growth of the country’s capital market and assure you that the government will also take necessary steps for the development of the stock markets in this region,’ said Dr. Aziz. The finance adviser suggested that the SAFE should address the crucial issues including automated listing, dearth of skilled and trained manpower, application of ICT, consensus of mutual assistance measures to external shock and access to information including the sensitive one in case of suspected money laundering.

He hoped that the SAFE would take the issues as its targets and its interest would go beyond rhetoric. Mr. Faruq Ahmad Siddiqi, Chairman of the Securities and Exchange Commission, said the conference would renew the hope of capital markets growth in this region. Mr. Faruq Ahmad, also special guest at the programme, hoped that SAFE initiated regional index would be launched successfully at the stock markets of this region. Mr. Rajnikant Patel, Chairman of the SAFE, and Managing Director of the Bombay Stock Exchange, Mr. Nasir Ahmed Chowdhury, President of the Chittagong Stock Exchange, and Prof. Salahuddin Ahmed Khan, Chief Executive Officer of the DSE also spoke on the occasion.

Mr. Ahmad Rashid Lali, Vice-Chairman of SAFE and Senior Vice President of Dhaka Stock Exchange at the concluding ceremony on February 1, 2008 hinted that the South Asian Federation of Exchanges would launch SAFE regional index within three to four months.

The index would be listed and traded at all member exchanges and Dow Jones has been actively cooperating with SAFE. An agreement has been signed with Dow Jones, which will provide all support of business and technical services in introducing ‘SAFE Index’. The participants discussed various issues related to cross-border listing, integration and regional cooperation. Exchange of information and knowledge are key elements to develop the markets in the region. Mr. Rajnikant Patel, Chief Executive Officer of the Bombay Stock Exchange, affirmed that it was time to fix target and go for action. He urged the regional stock exchanges to list Exchange Traded Fund on SAFE in local currency. ‘We need sponsors like banks and big companies which can provide fund for that,’ mentioned the SAFE Chairman. Regarding cross-border listing, he stated that it would not happen in the near future and the member exchanges should opt for those

issues which may be achieved in the near-term. President of Metropolitan Chamber of Commerce and Industry Mr. Latifur Rahman said market liquidity increased the growth of a country. ‘South Asian countries should formulate policies which will help to increase market liquidity and for that purpose policy-makers should consider judicial, tax, macroeconomic variables and political environment,’ he narrated. He urged the SAFE to go faster instead of step by step to realise the maximum potentials. Mr. Nasiruddin Ahmed, president of Chittagong Stock Exchange, said experience and knowledge sharing would help markets gain efficiency. CSE, DSE, Royal Securities Exchange of Bhutan, Bombay Stock Exchange and National Stock Exchange of India, Maldives Stock Exchange, Stock Exchange of Mauritius, Nepal Stock Exchange, Islamabad Stock Exchange (guarantee), Karachi Stock Exchange (guarantee), Lahore Stock Exchange (guarantee) and National Commodity Exchange Limited of Pakistan, and Colombo Stock Exchange are the members of the SAFE.



*Mr. Latifur Rahman, President of Metropolitan Chamber of Commerce and Industry, Mr. Rajnikant Patel, Chairman of the SAFE, and Managing Director of the Bombay Stock Exchange, Mr. Nasir Ahmed Chowdhury, President of the Chittagong Stock Exchange, Mr. Ahmad Rashid Lali, Vice-Chairman of the SAFE, and Senior Vice-President of the DSE and Prof. Salahuddin Ahmed Khan, Chief Executive Officer of the DSE at the concluding session of Second South Asian Capital Markets Conference, 2008 in Dhaka Sheraton Hotel on February 01, 2008*

The session 1 titled ‘Regional Regulatory Models for South Asian Markets’ was chaired by SEC Chairman Mr. Faruq Ahmad Siddiqi. The panel discussants were Chairman of Pakistan SEC Mr. Raziur Rahman Khan, Sri Lanka SEC deputy director general Ms Marina Fernando and a Representative of SEBI of India. In another individual presentation Ms Chitra Ramakrishna, deputy managing director of National Stock Exchange, India presented a paper on NSE’s experience of frontline regulatory functions.

Mr. Arif Mian, senior executive vice president of Askari Commercial Bank Ltd of Pakistan was a speaker in a presentation titled ‘importance and need for national self regulatory organisations for securities professionals in South Asia. Mr. Steven Polansky, senior director of Financial Industry Regulatory Authority of USA spoke on a topic titled ‘Convergence of Frontline Regulatory Functions for Effective Monitoring of Markets’.

SAFE Chairman Mr. Rajnikant Patel chaired the session-two titled ‘Integration of Regional Markets and Cross Border Trade’. Karachi Stock Exchange MD Mr. Adnan Afridi, DSE CEO Prof. Salahuddin Ahmed Khan, CEO of Stock Exchange of Mauritius Mr. Sunil Benimadhu and Mr. Renuke Wijayawardane of Colombo Stock Exchange were the panel discussants. CEO of



Bangladesh CDBL Mr. MH Samad chaired another panel discussion titled ‘Promoting Linkages of Regional Depositories, Clearing and Settlement Systems’. The panel discussants were Mr. Muhammad Lukman, CEO of National Clearing Company of Pakistan Ltd, Mr. Cyrus Kambata, Senior VP of CDSL of India and Mr. Fazal Hussain of CDC of Pakistan.



*(1) Mr. Latifur Rahman, President of Metropolitan Chamber of Commerce and Industry, (2) Dr. Ishrat Hussain, Ex-Governor of State Bank of Pakistan, (3) Mr. Rajnikant Patel, Chairman of the SAFE, and Managing Director of the Bombay Stock Exchange, (4) Mr. Ahmad Rashid Lali, Vice-Chairman of the SAFE, and Senior Vice-President of the DSE (5) Mr. Nasir Ahmed Chowdhury, President of the Chittagong Stock Exchange, and (6) Prof. Salahuddin Ahmed Khan, Chief Executive Officer of the DSE addressing at the concluding session of Second South Asian Capital Markets Conference, 2008 in Dhaka Sheraton Hotel on February 01, 2008*

The session three titled ‘Modern Trading Products and Technological Solutions’ was addressed by Mr. Ronald Tibell, general manager, OMX Group, USA and Mr. Satyajit Nilkamal Seneviratne of Millennium Information Technologies of Sri Lanka. In the same session, another panel discussion took place titled ‘Product Offerings-Present Scenario and Options for Expansion’, which was chaired by Mr. Joseph Massey, managing director of MCX of India. Mr. PH Ravikumar, MD of National Commodity and Derivatives Exchange Ltd, Mr. Arrif Sultan of Dow Jones AER Co and Mr. Haroon Askari of KSE, Pakistan were the panel discussants.

In the concluding day, there were seven panel discussions chaired by Pakistan KSE Director Mr. Munir M Ladha. Mr. Imtiyaz Hussain of DSE, Mr. Dilwar H Chaudhury of City Bank of Bangladesh, Mr. AP Kurian of MFAI, India and Dr Ishrat Hussain, Ex governor of State Bank of Pakistan were the panel discussants. The panel discussion titled ‘State of Retail Brokerage Industry in the Region’ was addressed by Dr Bandi Ram Prasad, senior consultant of Dun and Bradstreet Information Service of India Ltd and Mr. Mr. Ahsanul Islam of DSE’s MONA Financial Consultancy Ltd. Another panel discussion titled ‘Exploring Avenues of Cooperation Amongst the Regional Brokerage’ was addressed by Mr. Sameer Ahmad of IGI Investment Bank of Pakistan, Mr. Zahid Latif Khan of Zahid Latif Khan Security of Pakistan and Mr. Alagappan Murungappan, executive vice president of ICCI Securities Ltd of India.



*Mr. Rajnikant Patel, Chairman of the SAFE, and Managing Director of the Bombay Stock Exchange, Mr. Ahmad Rashid Lali, Vice-Chairman of the SAFE, and Senior Vice-President of the DSE, Prof. Salahuddin Ahmed Khan, Chief Executive Officer of the DSE and Mr. Aftab Ahmad Ch, Secretary General of the SAFE at a Press Conference on January 30, 2008 at the DSE to announce the Second South Asian Capital Markets Conference 2008.*

Mr. Sardar Azmat Babar of Pakistan, Mr. Paras Ashok Adenwala of India, Syed Javed Hassan of Pakistan, Mr. Ali Raza Siddiqi of Pakistan, Mr. Tariq Iqbal of Pakistan, Mr. Yawer Sayeed of AIMS of Bangladesh, Mr. Mohammad NS Kabir of Bangladesh, Mr. Samar Hussain of Pakistan, Mr. Rajeswar Rao of Reserve Bank of India, Ms Chandra Premarathne of Central Bank of Sri Lanka, Mr. Abdur Rahim of Bangladesh Bank, Mr. AKM Shamsuddoha of DSE's Doha Securities and Mr. Andrea M Corcoran of Promontory Financial Group of USA were the panel discussants on the different topics.

Earlier, the DSE arranged a press briefing on the two-day Second South Asian Capital Markets Conference-2008 on January 30, 2008. Mr. Rajnikant Patel, chairman of the SAFE, said the South Asian Federation of Exchanges, a platform of south Asian Securities Markets, will launch within four-five months an index styled 'SAFE Index' comprising the companies from India, Pakistan, Sri Lanka and Bangladesh, 'We have signed an agreement with the Dow Jones to facilitate the process,' said Rajnikant, also managing director of the Bombay Stock Exchange, at a press briefing at the Dhaka Stock Exchange. SAFE chairman said the index would be traded at the bourses of the four countries.

Aftab Ahmad Chowdhury, secretary general of the SAFE, shed light that the main agenda of the conference was the integration of the regional markets. He stated that the conference would facilitate the integration process as regulators, central bankers, brokers, and market players, while other market intermediaries of the region would attend the conference and exchange their views. 'There will be six sessions of panel discussions in the conference, in which regulators, central bankers, brokers, market players and market intermediaries will take part in discussion,' uttered Aftab Ahmad, also chief executive officer of the Islamabad Stock Exchange.

Mr. Ahmad Rashid Lali, vice-chairman of the SAFE and senior vice-president of the DSE, highlighted that the DSE would work to form a brokers' association in the country within one year. He said forming brokers' associations in the south Asian countries would be also an agenda of discussion in the conference. The DSE chief executive officer, Prof. Salahuddin Ahmed Khan expected that around 150 regulators, central bankers, brokers and market players from home and abroad would participate in the conference.