

A New Journey.....

President's Message

Vol. 3, Issue 4, July 2009

Following our Annual Elections held in July 2009, we have new Board of Directors in place now. I welcome the new directors on board and thank the outgoing directors for their valuable contribution made during the last term. With each progressing year, we have been able to improve the level of service to our members, candidates and the investment community at large through various programs, events and activities.

2008-09 was an eventful year for CFA Pakistan. CFA Pakistan held its first ever Career Day Event, which was attended by a large number of students from prominent business institutions of Karachi. We also hosted our first ever Local Investment Research Challenge where four top business schools of Pakistan participated. IBA being the winner advanced to Regional Investment Challenge in Singapore. CFA Pakistan will hold these events on an annual basis from now on.

In January Institute of Business Administration became first CFA Program Partner in Pakistan. This partnership agreement was inked at IBA City Campus. By being the program partner IBA has joined 77 other CFA Program Partner institutions worldwide including prestigious colleges and universities such as the Saïd Business School at the University of Oxford, University of Southern California in US, and Waseda University of Japan. CFA Institute and CFA Pakistan are now working to bring LUMS under CFA Partnership network.

Networking events were held in Lahore and Islamabad in May. Both the events were successful with majority of members residing in these cities attending them. CFA Pakistan also started University Outreach Program during the year. Through this program we intend to further build the already growing awareness of CFA Designation among young professionals.

CFA Pakistan would continue to work hard to enhance image of CFA program in Pakistan. I request and encourage members to actively participate in local events and activities held by the body. I also wish the new board members best in their endeavors for the year ahead.



CFA Career Day



CFA— IBA University Partnership Program



Winning Team IBA— Investment Research Challenge

CFA Pakistan Board 2009-11

Muhammad Jawaid Iqbal, CFA

President



He is the Head of Corporate and Investment Banking Group at Allied Bank Limited and is the President of the CFA Association of Pakistan. He holds a Master of Business Administration (MBA) degree, Associate ship Diplomas of The Chartered Institute of Bankers, UK, and CFA Charter from CFA Institute, USA. Before Joining ABL, he served for National Bank of Pakistan and Emirates Bank International at senior positions

Ashraf Bava, CFA

Vice President & Members Service Chair



He is the CEO of a new brokerage house, Nael Capital. He has over 9 years of investment management experience, in companies including Elixir Securities. Ashraf graduated from Institute of Business Administration in Karachi.

Mir Muhammad Ali, CFA

Director & GIPS Chair



He is Chief Executive Officer at UBL Fund Managers Ltd, bringing with him over 15 years of extensive experience in investment banking and fund management. Mir is an MSc in Finance from University of Strathclyde in Glasgow, Scotland. He was awarded the prestigious Chevening Scholarship from the British Council for his MSc. He is an MBA from the Institute of Business Administration with a Gold Medal for an overall first position in 1988-89.

Mona Sultan, CFA

Company Secretary & Treasurer



Ms. Mona Sultan is associated with MyBank Limited as Chief Financial Officer/EVP. She is a CFA Charterholder and Fellow Member of the Institute of Cost & Management Accountants. Before joining MyBank she was associated with a non banking financial institution at a senior position and actively involved in successful acquisitions among other



CFA Pakistan Board 2009-11 (cont'd)

Basit Shajani, CFA **Director & Public Awareness Chair,**



Basit graduated with honors from the Wharton Business School at the University of Pennsylvania, USA. He has his own equity and real estate investment management business, and is also involved in tutoring CFA candidates

Sohail Sumrani, CFA **Director & Continuing Education Chair**



He is Senior Dealer Equities and is heading the Equity investment Desk at the NIB Bank's Treasury. He has worked for more than six years in various banks and his total experience in financial institutions exceeds 9 years.

Rukhsana Narejo, CFA **Director & Member Communication Chair**

Ms. Rukhsana Narejo is Head of Fixed Income Funds at National Fullerton Asset Management Limited (NAFA). Ms. Narejo is a CFA charter holder and holds a Masters in Business Administration in Banking and Finance. Prior to joining NAFA, Ms. Narejo was serving BMA Asset Management Company Limited from 2005 to 2006, managing both equity and fixed income portfolios of discretionary funds under management, including retirement funds of prominent listed and multi-national companies



Uroosa Girami **Executive Director**

Uroosa completed her undergrad from Ryerson University, Canada. Prior working for CFA Pakistan she worked for Royal Bank of Canada as a Creditor Insurance Specialist

Muhammad Aamir Khan **Executive Officer**

Prior to this he worked almost two years as a Accounts Officer in NIFT - (National Institutional Facilitation Technologies (Pvt) Limited) in Lahore. Aamir completed his Masters of Commerce (Accounting) from The Islamia University of Bahawalpur



Past Quarter's Events:

Roundtable Luncheon Session – Mr. Khalid Mirza, Chairman Competition Commission of Pakistan April 11, 2009

CFA Association of Pakistan arranged a lunch networking session with Mr. Khalid Mirza, the chairman of Competition Commission of Pakistan (CCP) to discuss the role of CCP in Pakistan and steps it is taking to promote an environment of healthy competition. Mr. Khalid Mirza talked about crucial role CCP can play in creating healthy competition in the developing countries like Pakistan. He emphasized that price cuts, higher quality and greater consumer choice are few of the many benefits that healthy competition has to offer. He was further of the view that competition allows technological innovation to flourish freely.

Mr. Khalid pointed out that it is illegal to fix prices and create cartels as it gives birth to many evils associated with unhealthy competition. He said that large companies with dominant position in a particular industry should not abuse power through formation of cartel. Big companies are not allowed to merge if that puts them in a position to control the market, he noted.

Mr. Chairman concluded the session by informing the audience that CCP currently is in process of investigating few cases of cartel formation and price fixing. He requested the participants with insight into uncompetitive practices to come forward and help CCP in exposing companies and industries involved in inappropriate competitive practices.



Members listening to Mr. Mirza



Khalid Mirza, Chairman CCP, Ms Rahat Kunain and Ms Maleeha Mimi Bangash, members CCP



Webcast Session on Behavioral Finance - April 18 2009

A webcast session was conducted in April where members were able to hear about 'Behavioral Finance' from a discussion in CFA Institute Annual Conference 2008. In this webcast, Jason Zweig, Meir Statman, and Arnold S. Wood touched upon various factors that explained interaction of behavioral sciences with investment decisions. Some of the questions answered during the webcast included:

- Preventing judgmental errors or creating alpha: What opportunities are available?
- How can behavioral finance help advisers educate and guide investors?
- What does behavioral finance tell us about what investors really want, and how can investment professionals apply this knowledge?

Networking Events May 27 & 29 2009

On May 27, 2009 CFA Pakistan organized a social dinner to facilitate professional networking amongst society members. The event was held at The Royal Elephant, Pearl Continental Hotel, Lahore.

On May 29, 2009 CFA Pakistan organized another social dinner at Al-Maghreb Restaurant, Serena Hotel, Islamabad. Both the gatherings were well attended as many members took time out from their busy work schedules to socialize with professional colleagues. All members highly appreciated CFA Pakistan's efforts to conduct these social evening events in Lahore and Islamabad. We plan to organize such gatherings on yearly basis.

Excellence Awards Ceremony– June 19 2009

CFA Association of Pakistan organized 6th Annual Excellence Awards on June 19 2009. Syed Salim Raza, Governor State Bank of Pakistan, was the chief guest of the event.

Sharing his views on Pakistan's Economy, the Governor reiterated State Bank's resolve to maintain macroeconomic stability and long term sustained economic growth. He mentioned that downward trend in the domestic inflation was due to global commodity pressures, monetary tightening by central bank and fiscal discipline by the government.

Mr Raza stressed that development of an organized bond market for both corporate and government securities is need of the hour. This would bring efficiency, liquidity and reduce financial intermediation cost.

He further emphasized the need to develop human capital base in the country as it is essential for progress of any country. Only countries that have developed their human capital have managed to grow at a sustained high rate. He appreciated the role of CFA Pakistan in promoting education in the financial sector, developing the ethical behavior and creating awareness about standards of professional conduct.

Following speech, the Governor distributed awards for Excellence in different fields of the investment profession. Engro Chemical Pakistan won award for the best "Investor Relations" in calendar year 2008. Transaction of the year was awarded to Habib Bank Limited for Private Equity advisory to Abraaj Capital for \$135mn acquisition of Boscior Refinery. Corporate Finance House of 2008 was awarded to Allied Bank. In the brokerage industry, Best "Equity Research Analyst" award for 2008 was won by Imtiaz Gadar who is also a CFA Charterholder. Title for the Best Brokerage



Mr. Salim Raza, Governor SBP

Mehvish Virani, CFA

Guests at the ceremony

Guests at the ceremony

Award Winners with Mr. Salim Raza, Governor SBP



University Outreach Program

CFA Pakistan submitted its proposal for University Outreach Program to CFA Institute in January. The main objective of our proposal was to conduct full day activities in prominent universities of Pakistan between February and August 2009, and to create awareness of CFA Program among young professionals. We plan to cover universities in both major urban centers like Karachi, Lahore, Islamabad, Multan, Hyderabad, and Sukkur.

Prominent business schools covered in the Program included

- Institute of Business Administration, Karachi
- Aga Khan Local Education Board for Garden (community organization), Karachi
- National University of Science and Technology – Islamabad
- Quaid-e-Azam University, Islamabad
- Hailey College, Lahore

CFA Program Presentations and one to one counseling sessions with students were conducted by CFA Pakistan's Board members. CFA program brochures and bookmarks were distributed among students. We observed keen interest from students and are receiving continuous feedback from faculty members of the universities. We also witnessed a higher amount of registrations from Lahore and Islamabad for December CFA Program Exams

CFA Pakistan Scholarships 2009

In addition to regular 10 scholarships program CFA Institute awarded 50 scholarships as part of their Global Scholarship Program - a pilot project for 2009 Level I exam. CFA Pakistan received 300 scholarships applications out of which it selected 50 deserving students. Scholarships were mainly granted on need basis. However, academic record, future potential and experiences of the applicants were also the factors that were given weight in the overall assessment. Sixteen students appeared for Level I in June and we witnessed 50% pass rate which is above global passing rate of 42%. Remaining candidates will appear in December 2009. As per society scholarship program we also gave 10 scholarships to Level II and Level III candidates.

CFA Institute will automatically award scholarships to successful Level I candidates for their Level II examinations.



**Look out for
Upcoming
CFA Pakistan**

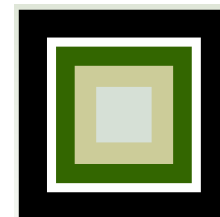
Charter Awards Ceremony - November 2009

This event is hosted each year by CFA Pakistan to award Charters to successful candidates who complete all three levels of CFA Program and four years of professional work experience.

We also recognize successful CFA Level III candidates awaiting to complete work experience requirements of CFA Institute.

Networking Event— December 2009

CFA Pakistan plans to host Social Evening Events for members in Karachi, Lahore and Islamabad.



EXECUTIVE INTERVIEW: Imtiaz Gadar, CFA

“Success is a journey, not a destination”

Ben Sweetland

Imtiaz Gadar, CFA has been associated with capital markets since completing his MBA as a Gold Medalist in Finance from IBA. Starting off his career with Al Meezan Investment Management, Imtiaz moved to CDC Pakistan and Elixir Securities before joining KASB Securities Limited in 2005, where he is currently Vice President & Head of Research. In the interim he has also worked as Vice President and Head of Research at JP Morgan Pakistan. He has been rated as the Best Analyst for two years running in a poll conducted by CFA Association of Pakistan and voted amongst the Best Pakistan Analysts for 2007 (#1) and 2008 (#2) by Asia Money



CFA PAKISTAN: Did you always want to become an analyst? How would you describe your experience as an analyst and now as a Head of Research?

Gadar: As a finance graduate from IBA, research was always on my radar as a career option and fortunately, I got an opportunity to pursue a career as a research analyst. I would say that the experience has been quite fulfilling for me, especially with my current employers KASB Securities, where the affiliation with Merrill Lynch has provided a chance to benefit from both domestic and international best practices. Regarding the transition to Head of Research, it just adds another layer to the role of the analyst where liaison between research and sales teams becomes a core part of your job in addition to your analytical responsibilities.

CFA PAKISTAN: Why CFA? What expectations did you have from enrolling for the CFA course of study and acquiring the Charter and have your expectations been met?

Gadar: I started my career at the headquarters of CFA Pakistan at that time i.e. Al Meezan Investment Management so I got my direction from there working with CFA Pakistan pioneers like Shoaib sb. I think the knowledge gathered from CFA has helped me as an analyst and the international stamp of credibility of the three letters CFA have made the effort worthwhile.

CFA PAKISTAN: Did CFA give you a tough time? How would you advise our readers to go about preparing for their exams?

Gadar: CFA does have an extensive course material and one cannot deny that it gives analysts somewhat of a tough time. In my case, I personally found Level II the most difficult one to study for. As far as how to go about preparing for exams, it is a very individual thing and varies from person to person. I would only say that don't experiment with your study techniques because it is CFA. Stick to your own tried and tested methods of studying.

CFA PAKISTAN: You were recently given best analyst of the year award by CFA Pakistan? This was second time you were selected as best analyst. What, in your view, makes a good analyst?

Gadar: I do not think I am qualified enough to really state as to what makes a good analyst. However I can share with you a list of attributes I came across an Institutional Investor Survey, which states that industry knowledge and integrity/professionalism are the top two qualities sought by investors and you would be surprised that financial models and earnings estimates were not even in the top 10. Personally when screening people for my own team, I rate teamwork and integrity quite highly.



(Continued from page 5)

CFA PAKISTAN: Do you think Equity Research is still in infancy stage in Pakistan? What improvements do you suggest?

Gadar: Our market is pre-dominantly a plain vanilla market where complex financial products are few and far between. Hence the research is also limited in scope. I think research should evolve alongside the evolution of the capital markets with topics such as cross-asset research and derivatives research also gradually being added to the research space. However one should not completely discount the progress over the last few years. There is greater reception of research products and the understanding of the target audience has also improved, leading to counter questioning and debate on research, which is a healthy trend for market.



CFA PAKISTAN: Do you think CFA Institute can play a role in enhancing Equity Research in Pakistan? How if yes?

Gadar: Absolutely. CFA is already inculcating the importance of research driven investments through its different workshops and seminars. In addition I think CFA can also play a role in emphasizing the importance of ethics in research and capital market trading as ethical practices are necessary to take the Pakistan market to the next level, internationally.

CFA PAKISTAN: You started your career in good times, when the general direction for market was usually north. How different was your approach (in terms of research) in the recent financial turmoil?

Gadar: As was the case globally, majority of the analyst community was caught wrong footed by the suddenness and severity of events. Pakistan analysts got a double whammy due to imposition of the floor, which was an event impossible to forecast. However as and when the gravity of the situation became clear, the approach shifted considerably. While the focus earlier was to find the most attractive growth opportunities, it shifted to finding the safest investment avenues with least risks.

CFA also play a role in emphasizing the importance of ethics in research and capital market trading as ethical practices are necessary to take the Pakistani market to the next level, internationally

CFA PAKISTAN: How do you see future of research in Pakistan?

Gadar: When one sees that asset management companies are maintaining research teams about equal in size to the research team at sell side firms, the rising importance of research is pretty evident. Unfortunately the crisis late last year forced a lot of firms to trim their research presence; however the strength is building up again which should be good for the future of research in Pakistan

Interview by Kamran Aziz

...End of Interview...



CFA Pakistan is an association of local investment professionals. Consisting of portfolio managers, security analysts, investment advisors, and other financial professionals, we promote:

- ethical and professional standards within the investment industry,
- encourage professional development through the CFA Program and continuing education,
- facilitate the exchange of information and opinions among people within the local investment community and beyond, and;
- work to further the public's understanding of the CFA designation and investment industry.

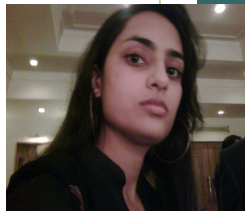
As one of CFA Institute member societies, our society connects members to a global network of investment professionals.

Rukhsana Narejo, CFA
Head of Fixed Income Funds
NAFA funds

Ms. Narejo is a CFA charter holder and holds a Masters in Business Administration in Banking and Finance.

Uroosa Girami
Executive Director
CFA Association of
Pakistan

Uroosa completed her undergrad from Ryerson University, Canada. Prior working for CFA Pakistan she worked for Royal Bank of Canada as a Creditor Insurance Specialist.



Kamran Aziz
Fund Manager,
ABL Asset
Management
Ltd.

Kamran Aziz, a CFA Level 3 Candidate is a graduate of IBA (2008) and was among the most active members of IBA's student body during his time there. He is currently working as a Fund Manager at ABL Asset Management. Kamran is a passionate learner and takes keen interest in organizing events/activities that enhance learning



CFA PAKISTAN
NEWSLETTER

Abdul Rasheed, CFA
Head of Capital Market
Allied Bank Limited

Abdul Rasheed a CFA charterholder is a graduated from IBA. He started his career as an Analyst in Invest Cap. He became Head of Research in Foundation securities, where he set up the brokerage house from scratch and made it one of the leading brokerage houses in the industry.



Phone: +92 21 5868498
0800-CFAAP (23227)
Fax: +92 21 5301050
E-mail: info@pakistan.cfasociety.org
Website: www.membersocieties.org/pakistan

CFA Pakistan
c/o Corporate & Investment Banking Group
Allied Bank Ltd.
2nd Floor, Central Office
Khayaban-e-Iqbal
Main Clifton Road
Bath Island