

CEO'S MESSAGE



Muhammad Lukman

The global economic recession continued in 2009 which resulted in an ongoing credit crunch, rising unemployment and falling consumer demand amongst other distressing factors.

In Pakistan, the condition was further worsened by power shortages, political chaos and instability, and price hikes. As a result, Pakistan's fragile economy suffered from deficiencies in trade deficit, balance of payment, circular debt and foreign exchange reserves etc which also impacted the Capital Market. Volumes at Stock Exchanges were very low due to the above factors and this resulted in a decrease in the overall company's revenues.

Although the above information paints a gloomy picture, there had already been some improvement in key economic variables like inflation and substantial improvement in foreign currency reserves along with improvement in the Capital Market with the return of foreign investors towards the end of 2009.

We hope that 2010 will continue the positive trend and usher in a feeling of optimism with the months ahead putting us on the road to recovery of an economic turnaround. Global economic developments and government policies will determine how well the turnaround is. Our ability to achieve the desired balance between fiscal consolidation and revival of growth will also govern the extent of economic progression.

At a company level we are working on developing new products that will help in serving the Capital Market in innovative ways and cater to the growing needs of the investors. We hope that these will give great value to our company by increasing the investor's confidence.

It is said that the hour is darkest before dawn. Hence, 2010, it is hoped, will be a year of economic revival where logic, calm, control and tolerance will rule the day. Pakistan desperately needs a result-oriented, proactive and positive approach on many fronts to get the limping economy back on its feet. We hope, pray and strive for the best.



TOP 10 SECURITIES (Oct - Dec 2009)

Based on Trading Volumes for the Quarter Oct-Dec 2009

SYMBOL	DESCRIPTION	VOLUME
JACL	JAHANGIR SIDDIQUI AND CO. LIMITED	776,296,948
AHSL	ARIF HABIB SECURITIES LIMITED	697,682,800
BAFL	BANK ALFALAH LIMITED	690,533,606
LOTPTA	LOTTE PAKISTAN PTA LIMITED	621,783,290
BOP	THE BANK OF PUNJAB	417,504,781
PTCL	PAKISTAN TELECOMMUNICATION COMPANY LIMITED	403,319,634
OGDC	OIL & GAS DEVELOPMENT COMPANY LIMITED	357,961,527
DGKC	D.G.-KHAN CEMENT COMPANY LIMITED	329,928,340
NML	NISHAT MILLS LIMITED	302,627,990
NBP	NATIONAL BANK OF PAKISTAN	295,865,898

PEEP INSIDE

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APPLICATION MANAGEMENT GROUP OF **NCCPL IT**

Application Management Group (AMG) of NCCPL IT department comprises of qualified IT professionals specializing in the area of Software Engineering. The Application team is responsible for all in-house development of business applications. This team also looks after the maintenance, enhancements and modifications in the National Clearing and Settlement System (NCSS) which is the core business application of NCCPL.

AMG has a very important role in the launching of new products and services. The underlying system development and its integration with NCSS is the responsibility of AMG. Every Software development project carried out by AMG starts with "Requirements Gathering" phase followed by detailed Analysis and Design. The Coding phase starts after the finalization of design. Once the software is developed, it passes through extensive Quality Assurance process and User Acceptance Testing (UAT) phases.

Some of the recent projects of the Application Management Group include the following:

- Development and implementation of Debt Market Clearing and Settlement system
- Development and implementation of Post Trade Risk Management System (RMS) for Debt Market Trades
- Enablement of IDS on Deliverable Future Contracts
- Implementation of Securities Lending and Borrowing (SLB) system and its integration with NCSS
- Development and implementation of Margin Financing System

The criticalness of the NCSS operation demands a quick turnaround time for the resolution of all application related queries raised by the internal and external users of NCSS. The Application Management Group has always met the expectations of the users in the troubleshooting of all issues related to NCSS application.

CLEARING & SETTLEMENT AND RISK MANAGEMENT OF BATS AT LAHORE STOCK EXCHANGE

After the implementation of clearing & settlement and risk management of Bond Automated Trading System (BATS) at Karachi Stock Exchange, we are pleased to inform that the same has also been started at Lahore Stock Exchange (LSE) effective from December 14, 2009. Accordingly, all trades to be executed between brokers in Debt Market of LSE will be settled by National Clearing Company of Pakistan Limited (NCCPL) along with its risk management.

OPERATIONAL STATISTICS

FOR THE PERIOD
OCT 09 to DEC 09

Management of Exchange Trade and Non Exchange Transactions during this Quarter

Description	No. of Trades/ Transactions	Volume of Trades/ Transactions	Value of Trades/ Transactions
Exchange Trade/Transactions	6,443,045	10,421,962,587	510,794,048,213
Broker to Broker (BTB) Transactions	62,159	118,521,575	4,571,225,507
Institutional Delivery System (IDS) Transactions	492,538	1,444,664,083	97,595,956,139
Margin Financing (MF) Transactions			

Management of Balance Order (BO) / Pay & Collect Settlement during this Quarter

Description	No. of BOs	Volume of Settlement	Value of Settlement
Balance Order Settlement	464,264	4,495,290,563	181,166,928,805
Pay & Collect Settlement			79,911,428,684

Addition to NCSS Family during this Quarter

	During the Qtr	By end of the Qtr
CLEARING MEMBERS: (Total)	12	427
Total Broker Clearing Members :	7	298
Total Non Broker Clearing Members	5	129
Types of CMs:-		
Broker Clearing Members	7	298
Bank	-	21
DPI	-	7
Mutual Funds	5	87
Others	-	14

Settling Banks	1	15
Settling Bank Branches	1	27
NCSS Eligible Security	39	538
IDS Eligible Security	-	538
TFC Eligible Security	37	37
BTB Eligible Security	-	68
MF Eligible Security	-	137
Eligible Securities as Collateral for FIRMS	-	60
Eligible TFC's as Collateral for FIRMS	-	30

List of Clearing Members/Non Broker Clearing Members joined NCSS during the Quarter

CM Name	Type
INNOVATIVE BROKERAGE (PVT) LIMITED	BROKER
INA SECURITIES (PVT) LTD	BROKER
SAIMA GAISER	BROKER
MERCHANT INVESTMENTS (PRIVATE) LIMITED	BROKER
PINE SECURITIES (PRIVATE) LIMITED	BROKER
FALKI CAPITAL (PRIVATE) LIMITED	BROKER
NIFEQUITY MARKET OPPORTUNITY FUND	NON - BROKER
HAML A/C. FIRST HABIB STOCK FUND	NON - BROKER
AGIML A/C ALFALAH GHP PENPAL PRO FUND II	NON - BROKER
AHIMLA A/C PAK. INCOME ENHANCEMENT FUND	NON - BROKER
UL A/C. LAKSON EQUITY FUND	NON - BROKER

List of Settling Banks joined NCSS during the Quarter

Settling Bank Name	Type
ASKARI BANK LIMITED	BANK



SECURITY NAME	SYMBOL
AL ZAMIN LEASING CORP LTD(05-09-2002)	AZLCITFC2
ALLIED BANK LIMITED-TFC (06-12-06)	ABUTFC
ALLIED BANK LIMITED-TFC (28-08-2009)	ABDTFC2
AL ZAMIN LEASING MODARABA-TFC (31-03-05)	AZTFC2
ASKARI BANK LTD(04-02-2005)	AKBTFC
ASKARI BANK LTD (31-10-2005)	AKBDTFC2
AZGARD FINE LIMITED (20-09-2005)	ANITFC2
BANK ALFALAH LTD(25-11-2005)	BAFITFC3
BANK ALFALAH LTD (23-11-2004)	BAFITFC2
BANK ALHABIB LIMITED-TFC (07-2-07)	BAHITFC2
BANK ALHABIB LIMITED-TFC (15-7-04) 10% cap	BAHITFC
ENGRO CHEMICAL PAKISTAN LTD-TFC(30-11-07)	ENGROTFC3
ESCORTS INVESTMENT BANK LTD(15-03-2007)	ESBITFC
FAYSAL BANK LTD (12-11-2007)	FABTFC
FINANCIAL REC'IBLES SEC'IZATION CO LTD CLASS "A"(17-01-2007)	FRSTFCA
FINANCIAL REC'IBLES SEC'IZATION CO LTD CLASS "B"(17-01-2007)	FRSTFCB
IGI INVESTMENT BANK LIMITED (11-07-2006)	IGBITFC
NIB BANK LIMITED TFC (05-03-08)	NIBTFC
NISHAT CHUNJAN POWER LIMITED	NCP
NISHAT POWER LIMITED	NPL
ORIX LEASING PAKISTAN LIMITED-TFC (25-03-07)	OTFC3
PACE (PAKISTAN) LTD(15-02-08)	PACETFC
PAK ARAB FERTILIZERS (28-02-08)	PFITFC2
PAKISTAN MOBILE COMMUNICATION LIMITED-TFC (28-10-08)	PMTFC6
SAUDI PAK LEASING COMPANY LTD-TFC (13-03-08)	SPICITFC3
SCB (PAK) LTD-TFC (01-02-06)	SCBITFC3
SCB (PAK) LTD-TFC (20-01-04)	SCBITFC2
SEARIS PAKISTAN LIMITED-TFC (09-03-06)	SEARITFC
SOHERI BANK LIMITED-TFC (05-05-05)	SNBTFC
TELECARD LIMITED-TFC (27-03-05)	TELETFC
THE ROYAL BANK OF SCOTLAND LIMITED (10-02-2005)	RBSTFC
TRUST INVESTMENT BANK LIMITED-TFC (15-11-05)	TRBITFC3
TRUST INVESTMENT BANK LTD (04-07-2008)	TRBITFC4
UNITED BANK LIMITED TFC (08-09-06)	UBITFC3
UNITED BANK LIMITED-TFC (10-08-04)	UBITFC
UNITED BANK LIMITED-TFC (14-02-08)	UBITFC4
UNITED BANK LIMITED-TFC (15-03-05)	UBITFC2
WORLDCALL TELECOM LTD (07-10-2008)	WITFC3
WORLDCALL TELECOM LTD (26-11-2006)	WITFC2

Total No. of Unique Identification Numbers (UIN) registered during this Quarter

	During the Qtr	By end of the Qtr
Total No. of UIN Registered :	7,179	260,340
A) Individuals	7,005	256,431
B) Corporate Companies	24	1,095
C) Corporate/Individual Brokers	8	291
D) Fund/Others	17	589
E) Foreign Individuals	125	1,934

FINANCIAL INSTITUTION RISK MANAGEMENT SYSTEM

Average Daily Exposure Drop Out to Exchanges as as to enhance trading capacity of Capital Market

Per Day Avg. Exposure during the Quarter	By End of the Quarter
1,599,933,707	5,144,129,000

Trade v/s Settlement Data for this Quarter:

Month	Trade Volume	Trade Value	CM wise Net Settlement Position			UIN wise Net Settlement Position		
			Settlement Volume	Settlement Value	%age settlement Value	Settlement Volume	Settlement Value	%age settlement Value
Oct - 2009	5,195,031,420	261,661,071,110	2,074,754,302	84,835,755,991	32.42	2,898,730,308	117,052,650,908	44.73
Nov - 2009	2,472,490,365	130,028,268,770	1,056,106,242	45,216,985,924	34.77	1,330,324,461	57,421,982,506	44.16
Dec - 2009	2,754,440,802	119,104,708,286	1,248,157,424	46,087,288,727	38.69	1,578,914,916	60,459,236,900	50.76
	10,421,962,587	510,794,048,166	4,379,017,968	176,140,030,642	34.48	5,807,969,685	234,933,870,314	45.99

Foreign Investors Portfolio Investment (FIPI) Trading Activities during the Quarter

Month	Buy	Sell	Net
October	10,712,911,918	(7,530,742,614)	3,182,169,304
November	6,216,038,235	(5,140,342,587)	1,075,695,648
December	4,849,118,212	(4,494,154,390)	354,963,822
Total	21,778,068,365	(17,165,239,591)	4,612,828,774



EMPLOYEE CORNER

Perspective of Amber Faraz - Manager Finance

Ms. Faraz was appointed as Deputy Manager Finance and was promoted to the position of Manager Finance in a short span of two years. Amber has had the chance to work with two Chief Financial Officers at National Clearing Company of Pakistan Limited (NCCPL), first Badiuddin Akber and then Imran Ahmed Khan; their knowledge and professional expertise have been a great help in grooming Amber.

Amber sincerely wishes a revival of Stock Markets attaining their optimal volumes. She considers herself a prime member of the finance team. She believes her strengths like honesty, hard work and her proactive approach will significantly enhance her role in the organization in the near future.

One of the most memorable days for Amber was the day when NCCPL became an independent entity. She felt proud when she received her appointment letter on the Company's letterhead which endorsed that she is now part of a fully automated National Level Institution.

"Before you begin a thing, remind yourself that difficulties and delays quite impossible to foresee are ahead... You can only see one thing clearly, and that is your goal. Form a mental vision of that and cling to it through thick and thin."

-- Kathleen Norris, Writer

"I've come to believe that each of us has a personal calling that's as unique as a fingerprint and that the best way to succeed is to discover what you love and then find a way to offer it to others in the form of service, working hard, and also allowing"

-- Oprah Winfrey, Talk Show Host

"Stay committed to your decisions, but stay flexible in your approach. It's the end you're after."

-- Anthony Robbins, Motivational Speaker



WISEN UP!

LIGHTEN UP!

Management World

JAZZ UP YOUR DAY!!

At the end of our typical working day, we complain about getting tired and exhausted. For most it hits right after lunch, for others it's later in the evening.

Most of us attribute our loss of energy and stress to having too much work and not enough time to do it in. However, if we look closely, the true culprits are our everyday habits: what we eat, how much importance we give to our posture, what time we sleep.

During the time at work one needs to follow some simple, recharging practices that can help tackle energy stealers:



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DESIGN BY: RABIA AMIN--DESIGNERSCOLLECTIVE

- Always start your day with breakfast. A good breakfast boosts your energy and increases your attention span.
- Of the entire day, afternoon is considered as a "deadlock", when majority of the people feel sluggish. A big meal makes you feel tired. Taking a light lunch can help in maintaining your alertness level.
- When you feel hungry instead of reaching for chips, samosas and chocolate bars, have popcorns, channay, makai or fruits.
- Keep a small plant at or near your desk. Several researches have proved that office plants and flowers help enhance productivity.
- Give special attention to your desk area. Start your day by clearing up your desk, organizing your files and folders and giving your computer screen and key board or lap top a wipe.
- Instead of making your mini break a "nicotine break", try to utilize these breaks to refresh yourself by doing simple desk stretches and deep breathing exercises.
- Water is perhaps the most amazing source of physical energy renewal. Inadequate water intake can negatively affect concentration.
- To maximize performance at work, try to follow a proper sleeping pattern. "Early to bed, early to rise, makes you healthy, wealthy and wise."

Enjoy your day by using some of these tips!