



A Time for Change...

Message from CFAAP President, M. Jawaid Iqbal, CFA:

Vol. 3, Issue 1, Sep 2008

It is a privilege to be taking over as President, CFA Association of Pakistan following the 2008-2009 board elections. On behalf of the society, I would like to thank the Immediate Past President, Mohammad Shoaib, CFA whose contributions over the past 6 years have been exemplary. He has played an instrumental role in establishing CFAAP, increasing awareness and outreach through various initiatives, and enabling the society to earn global awards conferred by CFA Institute. We extend our best wishes for his new role as Presidents Council Representative (PCR) Asia Pacific region.



M. Jawaid Iqbal, CFA heads the Corporate and Investment Banking Division at Allied Bank Ltd.

As Pakistani professionals, we find ourselves in a very challenging environment - at home and abroad, professionally and personally. From east to west, age-old institutions wielding immense financial power are being humbled. Avoiding the crumbling debris unfortunately will be difficult, as we live in an increasingly correlated global economy. Investment in Pakistan has already trickled and the need to fight ignorance and poverty has become urgent. Self-reliance and self-regulation is the need of the hour.

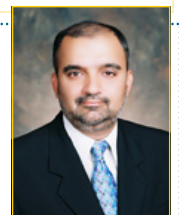
CFAAP has undertaken various initiatives to help raise the country's investment standards - the Analyst Certification Program launched with SECP, Codes of Conduct for brokers and asset managers, and an unprecedented 100 scholarships for CFA Candidates in Pakistan for 2009. Various committees are working on CFA related activities, including the Global Investment Research Challenge to take local universities to the global arena. I would strongly urge members to participate in any one of these committees with time commitment of just a few hours per month. For more information you can contact us at info@pakistan.cfasociety.org or visit our website <http://www.membersocieties.org/pakistan>.



**Ashraf Bava, CFA:
Vice President & Member Services Chair**

My task is to be an effective backup of the President and assist him in running the society: I will help ensure sure that the society delivers what is required by its members so as to benefit us all from this platform. I would like to encourage more volunteers to step forward and play an active role through the society's various committees. I also need your help in ideas for good speakers and in arranging events. We welcome any suggestions from you which could help us in running the society more effectively.

Ashraf Bava is CEO, Nael Capital (Pvt.) Ltd., a new venture created following his decade-long industry experience at leading brokerage firms.



**Mir Mohammad Ali, CFA:
Director & Chair for University Partnership and GIPS**

The foremost task for University Partnership Chair would be to enroll at least two Pakistani Universities in the fast growing University Partnership program of CFA Institute. The selected University will benefit immensely by getting access to CFA curriculum, capacity building and acquisition of cutting edge financial technology from CFA institute. GIPS or Global Investment Performance Standards is another exciting area which is direly needed in Pakistan to standardize investment performance presentation. GIPS implementation will enable investors to get transparent and precise information on investment managers.

Mir Muhammad Ali, CFA is CEO, UBL Fund Managers Ltd., bringing with him over 15 years of extensive experience in investment banking and fund management.

**Mohammad Shoaib, CFA:
Director & Advocacy Chair**

Our mission is to advocate ethical behavior in the capital markets, to develop standards for the investment industry including Codes of Conduct for asset managers, analysts and investment firms and to speak out to regulators on key issues affecting investors. In the recent past, The Advocacy Committee has worked on various initiatives including: Code of Conduct for Analysts; Code of Conduct for Asset Managers and Brokers; and Certification program for investment professionals.



Mohammad Shoaib, CFA is CEO, Al Meezan Investment Management Ltd. with two decades of extensive experience in fund management in Pakistan.

**Qasim Lakhani, CFA:
Director & Public Awareness Chair**

The objective of the Public Awareness Committee is to promote the CFA designation and enhance awareness of the CFA Program amongst various stakeholders, including (but not limited to), potential candidates, employers, regulators and society at large. This year, the Committee plans to specially leverage off the exponential growth in both print and electronic media to further this objective.



Qasim Lakhani, CFA is CEO, Fortune Securities and has over 7 years of experience in equity broking, fund management and corporate planning.



**Abdul Rasheed Narejo, CFA:
Director & Continuing Education Chair**

The goal of Continuing Education Committee is to provide for the educational needs of the society's current and future members.

Abdul Rasheed Narejo, CFA is Head of Research at ABL Asset Management.



Uroosa Girami has previously worked for the Royal Bank of Canada as a Creditor Insurance Specialist, having completed her Bachelors in Business Management from Canada.

**Uroosa Girami:
Executive Director:**
Having joined the CFA Association of Pakistan in March 2008 as the Executive Director, I look forward to working closely with the Board as well as CFAAP Members for the smooth functioning of the society.

**Mohammed Saqib, CFA:
Treasurer**

As a Treasurer, I am responsible for identifying self sustaining avenues for generation of funds. Availability of these funds is a pre-requisite to ensuring that CFAAP meets its objectives of serving the financial community. Moreover, responsibility of treasury also includes managing accounting, auditing, taxation issues and capital budgeting.



M. Saqib, CFA is CFO, Engro Asahi Polymer



Message from Mohammad Shoaib, CFA, Immediate Past President

“After having served as the President of CFA Pakistan for six consecutive one-year terms, I have handed over the charge to Jawaid Iqbal, the incoming President. I am really grateful to all of you who not only overwhelmingly supported to get me elected as a board member and the president, but also supported me in achieving the mission and the objective of the Association. Today, CFA Pakistan is recognized, both within Pakistan, and throughout CFA community of 136 member societies across the globe, as a leading force in promoting best professional and ethical standards in the area of investment management. During this period, CFA Pakistan has achieved many milestones. It has been the only two time winner of the CFA Society Excellence Awards in the last three years and has been termed as a “STAR” society by Jeff Diermeier, CFA, President & CEO of

CFA Institute.

One of the key achievements of the Association has been its recent co-launch of Analyst Certification Program (ACP) with SECP. ACP is going to be a mandatory qualification for both buy side and sell side research analysts in the future. It is likely to equip research analysts with the necessary background knowledge to better advise their clients.

The Association is on a sound financial footing now as a decent amount of over Rs. 7 million has been built up during the last six years. The objective of building up these reserves is to enable the Association self sustain its expenses going forward and to have its own office space.

While I had thought that relinquishing the charge of President of the Association will relieve me of some responsibilities, the Asia Pacific membership of CFA Institute was thinking otherwise. I was elected in March this year as Presidents’ Council Representative (PCR) for Asia Pacific region by 15 societies in our region. This is a two-year term which began on 1st September and makes me responsible to look after the interests of Asia Pacific membership of CFA Institute. This is indeed a very challenging task and I request for your support and prayers to be able to accomplish my duties as Asia Pacific PCR during the next two years. “

Mona Sultan, CFA Executive Vice President / Chief Financial Officer, MyBank Ltd.

Mona joined Mybank in April 2004 and is presently working as Chief Financial Officer. She is a Fellow Member of the Institute of Cost & Management Accountants (FCMA) and Chartered Financial Analyst (CFA). Before joining mybank, she remained associated with a non banking financial institution, where she was actively involved in operational and corporate activities. She has been involved in due diligence and successful acquisitions of other financial institutions and listed companies.



Kamran Aziz Research Analyst, ABL Asset Management Ltd.

Kamran Aziz a CFA Level I Candidate is a graduate of IBA (2008) and was among the most active members of IBA's student body during his time there (2004-2008). He was also the Head of Seminar Society at IBA in 2006/07. Kamran has a passion for organizing events/activities that enhance learning.



CFAAP NEWSLETTER TEAM

Amna W. Khalid, CFA Research Consultant, Makara Capital Pte

Amna is currently in Karachi, working flexi-time for a private equity firm based in Singapore, balancing both career and family.





Upcoming CFAAP Activities...

Global Investment Research Challenge —Dec 2008

The Global Investment Research Challenge (GIRC) organized by CFA Institute USA gives students from the world's top business schools the opportunity to learn from industry experts and compete with their peers. The challenge teaches participants best practices in equity research through hands-on mentoring and intensive training in company analysis and presentation skills. 2008 GIRC competition was hosted by Reuters as premier sponsor of the 2008 European and Global competitions. They also provided students access to their knowledge product, giving them real world experience using standard industry tools.

University teams of 3-5 students are mentored by industry professionals in writing an equity research report on a publicly traded company at the local level. The teams then present their findings to a panel of experts, first at the local and then at the regional level. The winning local team would then proceed to the regional competition. Past panelists included directors of research, chief strategists, and CIOs from Bear Stearns, Goldman Sachs, Lehman Brothers, and Morgan Stanley.

CFAAP has decided to participate at the Regional level and is recruiting a team of motivated and bright students from universities across Pakistan. There will be 4-5 teams participating from local universities and finalists will be chosen to represent the country at the Regional level. LUMS, IBA and other prestigious universities have given their consent to participate in the event. The local event is planned to take place in December 2008.

It is worth mentioning that in order to encourage research activities the CFA Institute, USA will provide full financial assistance for the traveling related expenses to the students for international trip (regional and global). It will also give the students an opportunity to find a career path in renowned organizations both locally and internationally.

In order to make the competition a successful learning experience, CFAAP will provide volunteer members, mentors, graders and panelists, preferably CFA Charterholders with high level of investment and research expertise. Volunteering to participate in the Global Investment Research Challenge is an excellent opportunity for Members to become actively involved in CFAAP activities and give back to their profession and country.

Will YOU rise to the Challenge to take Pakistani students GLOBAL?

- Mentors
- Graders
- Panelists



Mr. Ashvin P. Vibhakar, CFA
Deputy Head, Asia Pacific Region

Past CFAAP Activities...

July 11, 2008

Launch of Analyst Certification Program (ACP)

The Securities and Exchange Commission of Pakistan (SECP) announced the launch of the Analyst Certification Program in collaboration with the CFA Institute and CFA Pakistan at Pearl Continental hotel Karachi on July 11, 2008. Mr. Razi-ur-Rahman Khan, Chairman SECP, Dr. Ashvin P. Vibhakar, CFA, Deputy head of Asia Pacific Region, CFA Institute Mr. Khalid Ghayur, CFA and Mr. Mohammad Shoaib, CFA were among the distinguished speakers for the event.

Mr. Razi-ur-Rahman Khan on the occasion pointed out that the present environment in Pakistan's capital markets does not mandate minimum levels of required knowledge for capital market participants or intermediaries. He added that the various types of financial intermediaries operating in capital and money market in Pakistan need to be adequately trained and certified in order to improve the overall profile and functioning of the capital markets in the country. The collaboration of SECP and CFA Institute, in his view, was a major step to move towards a regime where financial market participants have the necessary and relevant knowledge and technical expertise supported by certification program.

Mr. Khan also announced that his organization will provide 150 scholarships for the two components of the ACP. SECP will offer 50 scholarships for CFA Level 1 examination and another 100 scholarships for the local module of the certification program. The scholarships will be awarded on need-cum-merit through a transparent mechanism which will be determined by the Board of the Institute of Capital Markets.

Dr. Vibhakar, as a gesture of support for this important cause being undertaken by SECP announced 50 scholarships for CFA candidates in Pakistan for calendar year 2009. He attributed this achievement largely to the continuous efforts of our former Board of Governor Member Mr. Khalid Ghayur, CFA. Traditionally only 10 scholarships were granted to each CFA society around the world. CFA Association of Pakistan by securing 50 scholarships from CFA institute did a remarkable job, Dr. Vibhakar revealed.

Mr. Mohammad Shoaib on the occasion stated that CFA Pakistan is committed to working closely with the regulators and all stakeholders in financial markets to improve the level of professional and ethical standards in the country. He thanked Chairman SECP for providing CFA Pakistan an opportunity to work closely with SECP team towards achievement of this objective.

(L-R) Mr. xxxxx, Mr. Razi-ur-Rahman Khan, Mr. Vibhakar, Mr. Mohammad Shoaib, CFA



CFA Association of Pakistan

Quarterly Newsletter



Mr. Lawrence Speidell, CFA
Chief Investment Officer, Ondine Asset Management

Past CFAAP Activities... July 28, 2008 Speaker Session— “What’s emerging in Emerging Markets?”

CFA Association of Pakistan (CFAAP) sponsored a talk by Mr. Lawrence Speidell, CFA, Founding Partner and Chief Investment Officer of Ondine Asset Management (CA, USA) at Avari Towers on July 28, 2008. The event drew 125 attendees to hear Larry's presentation on “What’s Emerging in Emerging Markets”. A renowned emerging markets specialist, Lawrence Speidell said Pakistan was ahead of India in the contest to attract foreign investment. He highlighted various factors which work in favor of Pakistan and give it a competitive edge over some of the other developing countries.



Mr. Tariq Iqbal Khan, Chairman NIT
with Mr. Speidell, CFA



Mr. Speidell, CFA, Mr. M. Shoaib, CFA, Mr. M. Ali, CFA, Ms. Mona Sultan, CFA

The Ceremony started with the recitation from the Holy Quran. Kamran Aziz, member of CFA Newsletter team 2008/09, was the Master of the Ceremony. Welcome note was given by Ashraf Bava, Vice President, CFAAP.

In his speech, Mr. Speidell rated Pakistan ahead of India in the contest to attract foreign investment. Mr. Speidell highlighted various factors which work in favor of Pakistan including better demographics with higher share of younger population, rising urbanization, lesser income inequality, availability of clean water, faster business setup time and freedom of speech. This is complemented by favorable equity market indicators as Pakistani market is trading at significant discount to other regional markets in terms of price-to-earning and price-to-book value ratios higher return-on-equity versus other emerging markets. Mr Speidell was appreciative of a vibrant corporate sector in Pakistan.



Mr. Lawrence Speidell, CFA addressing the audience

Most of Lawrence’s assertions challenged the pessimistic view often taken on the Pakistan’s economy. For instance, younger generation (15-24 years) as a percentage of total population is an important ratio that determines success of a country, said Speidell. The higher this ratio the more the chances of a nation achieving superior economic growths. Pakistan’s ratio of **younger generation to total population** would peak in the year 2010 and would remain higher on average than that of India’s, China’s, USA’s, Japan’s and Russia’s until the year 2050. This, according to Speidell, is one factor that gives Pakistan a clear edge over the countries mentioned in terms of labor productivity keeping other things constant.

The crowd, consisting of some of the leading investment professionals this country boasts, was delighted at Larry’s findings and could not help sighing a relief in these troubled economic times. Chief Guest on the occasion was Mr. Tariq Iqbal Khan, Chairman NIT. Mr. Khan appreciated guest speaker’s optimism on Pakistan.

The presentation was concluded with a Thank you note by Mr. Abdul Rasheed, Secretary and Chair of Continuing Education, CFAAP. Thank you note was followed by the distribution of plaques and later dinner.

Society Events Management

CFAAP will be using Siebel Society Events Management Portal for its event programs; this is yet another benefit of being a part of a dynamic and evolving global organization. The Portal offers a centralized system for event management, online registration planning and tracking, and communication with event attendees. The result – a more cost and time-efficient solution for managing attendance logistics, while also helping to build a database of the society’s events and attendees.



CFAAP: What brought you to join Pak Brunei Bank and what future potential does an institution like Pak Brunei see in Pakistan?

Ayesha: I was selected by the Government to head this new DFI based on my previous experience. The challenge of setting up a new company that could bring together the opportunities available in this part of the world with the required resources, was very exciting. It was also a challenge to meet the expectations of a highly professional Board chaired by the Managing Director of Brunei Investment Agency. The Company has the necessary resources and skill set to market the enormous potential of Pakistan, particularly in the Far East. Unlike its peer group, Pak Brunei is more focused on private equity opportunities and also plans to launch a fund in the near future. The most important thing for us is the confidence and interest shown by our sponsors who we hope to engage in many diverse sectors in Pakistan. One of the areas of interest for us is the Real Estate sector where we have the specialized skills to provide debt and equity advisory services (including setting up REITS); we also have the appetite to take exposure on our own book in our capacity as a full service merchant bank.

the perception towards CFA changed in the past decade?

Ayesha: I am a very competitive person and I thought that this would be an opportunity to refresh many concepts and get an advantage over my peers. At the time I was working in the Treasury of a foreign bank where we were encouraged to focus on our specialized responsibilities. That can tend to make one lose the "big picture". Studying for the exam broke that monotony and helped in getting a global perspective on many of the issues of the day. I was lucky to have cleared all three parts in my first attempt.

I think it is important to work for some time before taking the exams so that your practical experience can help to enhance understanding.

Ayesha Aziz, CFA

"Success is the sum of small efforts, repeated day in and day out" - Robert Collier

Ayesha Aziz, CFA, Managing Director of Pak Brunei Investment Company is part of a handful of female leaders in an industry that is, for the most part, dominated by men. She attributes her success to an inherently driven nature, a quest for self development and a strong sense of pride in her work. It was this dedication to her profession that compelled Ms. Aziz to stay ahead of the competition and acquire a CFA charter in 2001 - a year in which Pakistan could boast of only a handful of charter-holders.

CFAAP interviewed Ayesha recently to learn more about her distinguished career and to provide our Members an insight into her views on the development of young professionals and what makes them competitive resources in the local industry, the role of CFAI, CFAAP and its members and how we can take our association further. We also touched upon



In the past decade, I have seen these three letters go from strength to strength in Pakistan and it's great to see so many positive developments taking place.

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

Ayesha: I took the exams almost ten years ago and I think all you need is perseverance and common sense. While it is difficult to take time out during working hours, you need to be smart and use time efficiently. I remember studying during lunch breaks and even on the short drives to work when I was not driving! Treat the studying hours as an opportunity to refresh your concepts and learn about new developments using the best course outline and reading material anyone could have designed for you. That will stay with you irrespective of whether you clear the exam or not.

What challenges do the women leaders face in the corporate scene of Pakistan? How do you think women can successfully compete with their male counterparts in the industry?

Ayesha: I think the biggest challenge women face is their own lack of confidence. This is more of a cultural issue as generally women are not expected to compete, let alone excel against their male counterparts. With confidence comes the courage and ability to face any type of discrimination in the work place. I don't agree that women are not given enough opportunities, but in this society they may not be expected to avail them and their career aspirations are not considered as important. In these circumstances, working women carry a greater burden. The good news is that we are working in a much more competitive environment, in which gender differences are slowly being overshadowed by merit.

CFAAP: Does CFA help professionals to compete locally? Can it substitute an MBA degree and how does the local market perceive the importance of CFA versus developed countries?

Ayesha: Of course it helps locally, especially with the added recognition that has been successfully achieved over the past 5 years in Pakistan. Both in the Middle East and Far

CFAAP: 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? How has



(Continued from page 5)

East where I have travelled extensively, the charter certainly helps inspire a lot of confidence and comfort in whoever is dealing with you. Comparing it to an MBA degree is not appropriate as this is a professional qualification that should supplement your academic and practical experience and provide a market-oriented perspective to your understanding of concepts and issues. Moreover, many non-MBAs will find it extremely useful as well.

I think that the grounding in ethics/ethical behavior through the CFA Charter is necessary for any professional in our field. This is a subject sorely missing in most academic courses, especially in Business and Finance. While in the West, particularly post-Enron, many business schools have increased their focus on Ethics, we need to cover significant ground in Pakistan.

CFAAP: How would you rate the efforts of CFAAP in creating awareness in Pakistan? What more needs to be done at this platform?

Ayesha: Considering that CFAAP started from scratch in creating awareness in Pakistan, its achievements are commendable. I see a lot of business students who are still enrolled in college appearing for the Exams, possibly in search of better job prospects. Perhaps a slightly older, more experienced segment needs to be actively approached and encouraged.

CFAAP: How can you help Members?

Ayesha: Well, one area could be structured mentoring via an advisory council if you will. A mentor provides valuable guidance that can really help a career oriented person. The mentor can be within or outside your place of work. The challenge would be to be able to identify those who really need that kind of support and will put it to good use, versus those who come through improper channels. A council or some sort of structure would allow this to be a longer-term undertaking that is not necessarily limited to arranging job interviews.

CFAAP: What message would you like to convey to our readers?

Ayesha: In our line of business, reputation is king! Protect your integrity at all costs.

Ayesha was responsible for setting up the Investment Banking division at [Pak Oman Investment Company](#) that later became one of the most active Investment Banking outfits in the market. At the time she was involved in all strategic initiatives including the establishment of a network of investors in the Gulf, and setting up subsidiaries in asset management and microfinance including identification of joint venture partners in each case and spearheading the approval processes.

As the founding CEO of [Pak Oman Asset Management Company](#), she arranged a joint venture between local and Gulf-based institutional partners, each bringing distinct advantages to the partnership. Within a six month period she put together a team and launched the largest (closed end) fixed income fund.

As the first Managing Director of [Pak Brunei Investment Company](#), Ayesha authored the Business Plan, recruited team and rolled out full fledged operations within 6 months from commencement. In the year since operations have started, the Company has managed to exceed expectations in playing a dominant role in the market. The credit rating of AA testifies to strong controls and a young and energetic team.

Ayesha brings with her over 16 years of experience in Project Finance, Arrangement of Private Equity, Structuring and Placement of debt and equity, Syndicated loans, and Strategic Advisory businesses.

She is an MBA from the Institute of Business Administration and a CFA Charterholder. Ayesha Aziz is married and has two children.



Calendar of Global Events

Calendar of Global Events

September 2008



GIPS Standards Interactive Workshop
24 September 2008
Westin Copley Place
Boston, Massachusetts, USA



GIPS Standards Annual Conference
25-26 September 2008
Westin Copley Place
Boston, Massachusetts, USA



XBRL for Investment Professionals
26 September 2008
Chartered Accountants' Hall
London, United Kingdom

October 2008



Fixed-Income Management 2008
6-7 October 2008
Newport Beach Marriott Hotel & Spa
Newport Beach, California, USA



CFA South Africa Investment Conference 2008
16-17 October 2008
Southern Sun, Cape Sun
Cape Town, South Africa



The Future of Life-Cycle Saving & Investing
22-24 October 2008
Boston University School of Management
Boston, Massachusetts, USA

November 2008



Advances in Asset Allocation
17-19 November 2008
The Dorchester
London, United Kingdom



Asset Allocation for Private Clients
18-19 November 2008
Grand Hyatt Atlanta in Buckhead
Atlanta, Georgia, USA

December 2008



Equity Research and Valuation Techniques
2-3 December 2008
The Westin Harbour Castle
Toronto, Ontario, Canada



GIPS Standards Interactive Workshop
4 December 2008
The Westin Harbour Castle
Toronto, Ontario, Canada



"Is That Your Final Answer?": Debating Everyday Ethics for Investors
2 December 2008
Amsterdam RAI
Amsterdam, Netherlands



2008 CFA Institute European Investment Conference: Global Strategies for Success
2-4 December 2008
Amsterdam RAI
Amsterdam, Netherlands

January 2009



Wealth Management in Practice
18-22 January 2009
Wharton's Philadelphia Campus – Steinberg Conference Center
Philadelphia, Pennsylvania, USA

February 2009



Alternative Investments 2009
4 February 2009
The Metropolitan Club
New York, New York, USA



GIPS Standards Interactive Workshop
5 February 2009
The Metropolitan Club
New York, New York, USA



GIPS Standards Interactive Workshop
10 February 2009
Sheraton Park Lane Hotel
London, United Kingdom



European GIPS Standards Conference
11-12 February 2009
Sheraton Park Lane Hotel
London, United Kingdom

March 2009



Wealth Management 2009
25-26 March 2009
Hyatt Regency Chicago
Chicago, Illinois, USA



GIPS Standards Interactive Workshop
27 March 2009
Hyatt Regency Chicago
Chicago, Illinois, USA

April 2009



Investing in Energy
1-2 April 2009
Sheraton Suites Calgary Eau Claire
Calgary, Alberta, Canada



The CFA Association of 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.



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