



SECURITIES & EXCHANGE COMMISSION OF PAKISTAN

CLARIFICATION PRESS RELEASE

For immediate release
January 29, 2025

Federal Investigation Agency (FIA) seeks details of cases of insider trading and market manipulation from Securities and Exchange Commission of Pakistan.

ISLAMABAD, January 29: With regard to taking up the investigations by FIA against capital market players, as reported by certain quarters, it is clarified that Securities and Exchange Commission of Pakistan (the "Commission"), has been investigating cases of insider trading and market manipulation and consequently, filing criminal complaints in relevant court of law in terms of Securities Act, 2015.

Federal Investigation Agency (FIA) has the mandate to investigate the aspect of money laundering in predicate offences under Anti-Money Laundering Act, 2010 (the "AML Act, 2010") and Insider Trading/Market Manipulation is one of such predicate offences.

As per AML Act, 2010, Insider trading and market manipulation is the only predicate offence falling within the regulatory ambit of the Commission.

Considering its mandate under AML Act, 2010, FIA requested Commission to share details of all cases involving insider trading and market abuse, for parallel investigation at its end under AML Act, 2010.

In view of FIA request and considering the provisions of AML Act, 2010, the Commission shared the details of all such cases of insider trading and market manipulation where investigation had been completed and criminal complaints had already been filed in relevant courts. Accordingly, a list of 27 criminal complaints filed in the court of law since year 2008 to date, was shared with FIA in September 2024, under the Anti-Money Laundering (Referral) Rules, 2021. It is pertinent to mention here that the record in respect of said cases is public in nature as the same is part of judicial record and can be accessed by any authority/person applying to the court of law.

It is also clarified that the referral of cases does not accuse the companies whose scrip has been manipulated or the brokerage houses through which trading was undertaken, rather it only specifies the person(s) found involved in Insider Trading and market manipulation, as defined in Securities Act, 2015, while trading in those scrips.