

SIXTH MEETING OF THE OIC MEMBER STATES' STOCK EXCHANGES FORUM

FINAL REPORT OF THE  
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ISTANBUL, SEPTEMBER 26, 2012

The Marmara Hotel  
Istanbul, September 2012

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(Istanbul, September 26, 2012)

1. The Sixth Meeting of the OIC Member States' Stock Exchanges Forum convened in Istanbul on September 26, 2012.
2. The Meeting was attended by the representatives of the following capital market institutions of the OIC Member States:

**A. STOCK EXCHANGES OF THE OIC MEMBER STATES**

1. Abu Dhabi Securities Exchange
2. Bahrain Stock Exchange, Bahrain
3. Beirut Stock Exchange, Lebanon
4. BRVM (Bourse Régionale des Valeurs Mobilières Afrique de l'Ouest)
5. Dhaka Stock Exchange, Bangladesh
6. Douala Stock Exchange
7. Dubai Financial Market, United Arab Emirates
8. Indonesia Stock Exchange, Indonesia
9. Iraq Stock Exchange, Iraq
10. Islamabad Stock Exchange, Pakistan
11. Istanbul Menkul Kıymetler Borsası (İMKB), Turkey
12. Lahore Stock Exchange, Pakistan
13. Muscat Securities Market, Oman
14. Qatar Exchange, Qatar
15. Tadawul Saudi Stock Market, Saudi Arabia
16. Tehran Stock Exchange, Iran

**B. CENTRAL DEPOSITORIES, CLEARING AND REGISTRY INSTITUTIONS  
OF THE OIC MEMBER STATES**

1. Central Depository Company of Pakistan Limited, Pakistan
2. Central Registry Agency of Turkey, Turkey
3. Central Securities Depository of Iran, Iran

4. İMKB Settlement and Custody Bank (Takasbank), Turkey
5. Misr for Central Clearing Depository & Registry, Egypt
6. Muscat Depository & Securities Registration Company, Oman
7. National Clearing Company of Pakistan Ltd. (NCCPL), Pakistan
8. Securities Depository Center, Jordan

### **C. OTHER ORGANIZATIONS**

1. Arab Federation of Exchanges (AFE)
2. Capital Markets Board of Turkey (CMB), Turkey
3. Citi Islamic Investment Bank
4. COMCEC Coordination Office
5. Federation of Euro-Asian Stock Exchanges (FEAS)
6. International Islamic Financial Market (IIFM)
7. Islamic Center for Development of Trade
8. Islamic Cooperation for the Development of the Private Sector
9. Organization of Islamic Cooperation (OIC)
10. Standard & Poor's
11. Statistical, Economic and Social Research and Training Centre for Islamic Countries (SESRIC)

### **Opening and Seminar Session**

3. Following a brief introduction of the program, the meeting was opened by Mr. İbrahim M. TURHAN, Forum Chairman, and Chairman & CEO of Istanbul Menkul Kıymetler Borsası (İMKB). Mr. TURHAN welcomed all delegates and seminar guests to Istanbul on the occasion of the sixth meeting of the OIC Member States' Stock Exchanges Forum. Mr. TURHAN wished a successful and fruitful gathering from which the participating securities exchanges and their economies benefit at maximum level. Mr. TURHAN said that it is his duty and responsibility to express gratitude to those who have made this event possible, mentioning his predecessor, Mr. Hüseyin ERKAN, who is currently serving as CEO of the World Federation of Exchanges (WFE). Mr. TURHAN also expressed his gratitude to the participants for taking all the way to Istanbul and asked them to accept the city as a part of their

own countries. Mr. TURHAN invited Mr. Mustafa BALTACI to give a background of the Forum's activities.

4. Mr. Mustafa BALTACI gave a brief introduction on the Forum, touching upon the Forum activities and future plans.

*(A copy of Mr. Mustafa Baltacı's presentation is herewith attached as Annex 1)*

5. Mr. İbrahim M. TURHAN, as moderator of the seminar, invited Ms. Şenay PEHLİVANOĞLU to present information on the work of the Customized Indices and Exchange Traded Islamic Financial Products Task Force.

*(A copy of the presentation by Ms. Şenay PEHLİVANOĞLU is herewith attached as Annex 2)*

6. Mr. Charbel S. AZZI, Director and Head of Client Coverage for S&P Indices across the Middle East & North Africa delivered a presentation entitled "Working with S&P/OIC COMCEC 50 Shariah".

*(A copy of the presentation by Mr. Charbel S. AZZI is herewith attached as Annex 3)*

7. Mr. Reşat ADIGÜZEL, İMKB Debt Securities Market Chief Specialist, delivered a presentation entitled "Development of Sukuk Market in İMKB".

*(A copy of the presentation by Mr. Reşat ADIGÜZEL is herewith attached as Annex 4)*

8. Mr. Samad SIROHEY, CEO of Citi Islamic Investment Bank, delivered a presentation entitled "Sukuk Product Review".

*(A copy of the presentation by Mr. SIROHEY is herewith attached as Annex 5)*

9. Mr. Ali KÜÇÜKÇOLAK, Mr. Fehmi KAYA, Mrs. Necla KÜÇÜKÇOLAK and Ms. Maryam EBRAHIMI delivered a presentation on behalf of the Project Group on Capital Market Linkages.

*(A copy of the presentation by Mr. Ali KÜÇÜKÇOLAK, Mr. Fehmi KAYA, Mrs. Necla KÜÇÜKÇOLAK and Ms. Maryam EBRAHIMI is herewith attached as Annex 6)*

10. Representative of the SESRIC, Mr. Mustafa ŞAHİN, briefed the Forum on the on-going capacity building activities of the Centre, including its Capacity Building Programme for OIC Stock Exchanges, and the related questionnaire which is regularly circulated to the Forum members with a view to identifying their training needs and capacities and organizing training programmes among their respective institutions. The Forum took note of various training programmes that were currently being planned by the Centre.

## PROPOSALS, RECOMMENDATIONS AND DECISIONS

The following proposals and recommendations were made and decisions were taken at the meeting:

1. The Forum welcomes the support of members in launching the S&P/OIC COMCEC 50 Shariah Index (the Index). The Forum also appreciates efforts of S&P, the index calculator, and the Task Force for Customized Indices and Exchange Traded Islamic Financial Products put into development and promotion of the Index.

The Forum mandates the Task Force for Customized Indices and Exchange Traded Islamic Financial Products to consult with S&P to develop an integrated strategy for the promotion of the Index.

The Task Force will also work with S&P in producing sub-indices (smaller, 2-3 countries, for avoiding operational inconveniences) and consult the Forum members to approach investment banks in order to develop structured products (such as ETFs) on the Index.

The Forum will seek the assistance of Islamic Development Bank for the work on possible structured products to be developed on the Index.

2. The Forum will continue to work on the introduction of sukuk and other Islamic capital market instruments trading on organized markets in coordination with international organizations such as IIFM and IFSB. The Forum Secretariat will perpetuate the efforts to work with Islamic banks to develop trading of such products.
3. Members of the Project Group on Capital Market Linkages will continue endeavouring to realize bi-lateral and/or multi-lateral linkages, including trading, post-trade services, technological infrastructure, and so forth. The forum mandates the project group to investigate regulatory issues relevant to connectivity and to seek cooperation with the Forum of regulatory bodies with regard to the legal framework.
4. The Forum Secretariat will continue to work on the development of the Forum web site and continue to act as the facilitator and coordinator with regard to the work of the Task Forces and project groups.
5. The Forum Secretariat will continue its work for the promotion, awareness and investor education about Islamic Capital Markets.



6. The Forum welcomes the efforts by the SESRIC to identify the training needs and capacities of the Forum members through related questionnaires and encourages the Centre to continue, within the context of its Capacity Building Programme for OIC Stock Exchanges, to organize training programmes among the Forum members.
7. The conclusions of the meeting will be reported to the 28<sup>th</sup> session of COMCEC to be held in Istanbul on October 8-11, 2012.
8. The next annual meeting of the Forum will be held in Istanbul in October 2013.