

Circular No.: PMEX/MKT, BD&CSS/2016/25

June 17, 2016

Market Advisory for Upcoming Brexit Event

As you may be aware that on June 23, 2016 there is a referendum on the UK membership in the European Union (Brexit Vote) with results expected near close of market June 23, 2016 and beginning of June 24, 2016.

During this time it is expected that there will be market uncertainty and extreme volatility in Gold GBP/USD and Gold EUR/USD COTS contracts.

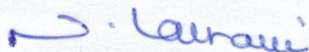
In the better interest of clients, we would like to advise that the Exchange is working on its risk management strategy for the event which will include increased margins and auto liquidation thresholds. The changes in this respect will be communicated in due course.

Moreover, we would like to bring attention of our brokers the below points to consider during the June 20th to June 24th week:

1. Ensure excess / sufficient liquidity in their proprietary & client accounts
2. Consider raising auto liquidation thresholds for your clients
3. Consider raising client level margins
4. Monitor Stop Orders as due to extreme volatility the orders may remain unfilled
5. Advise all clients of the increased risks within the period leading up to, during and after the Brexit vote as the volatility may impact contracts such as Gold, Silver and Oil as well.

For further information and assistance, please feel free to contact our Customer Support Services by phone on 021-111-623-623, 0300-8213-324 and 0321-8756-623 or by email at support@pmex.com.pk.

Best regards,



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