



VIEWS AND REVIEWS

I would like to applaud MUFAP for its efforts towards launching the Year book 2018. Needless to say that MUFAP has always served as a useful depository of information regarding mutual funds and this annual publication provides a vivid picture with regards to the performance of the sector over the year. The role of the Association is commendable as it has always contributed positively and provided the support needed by the sector.

Financial services landscape is transforming globally, with a plethora of changes taking place rapidly. Innovation and technology have brought about a radical change in traditional financial services. With new developments in the capital markets, global integration and digitization, it is imperative that we keep pace with these changes by preparing ourselves for future challenges and opportunities. Asset management companies (AMCs) need to re-think their businesses strategies in order to meet the expectations of their customers and provide them with complete investment solutions. MUFAP needs to drive the industry towards adoption of digital technology, right from on-boarding of customers to processing of redemption requests, in order to ease the transaction process. MUFAP must anticipate and appropriately respond to increasing industry growth and complexity.

SECP has always been forthcoming and supportive towards MUFAP and other industry stakeholders on initiatives, which are aimed at strengthening the mutual funds industry and safeguarding investor interests. There is no second opinion that potential and room for growth is there, it is just about how to achieve that growth by surmounting issues like lack of investor awareness and financial sophistication. While the development and growth of the mutual fund industry can be attributed to growing investor awareness, success of investor education campaigns, and an investor centric regulatory regime, the most



Message of SECP Chairman Mr. Shaukat Hussain Chairman, Securities and Exchange Commission of Pakistan

crucial factor that will decide the future course of the industry will be participation of retail investors.

There is a need for accelerated and faster growth in the geographical reach of mutual funds and to bring in long term money from smaller cities and towns. We believe that the mutual funds industry manifests huge opportunity for growth and further penetration, and this can be achieved over time, with support from technology. The key lies in strengthening distribution networks and enhancing levels of investor education to increase presence in both urban and rural areas.

In the end, I wish to emphasize that SECP is committed to support the mutual fund industry and looks forward to working closely with the MUFAP in collaboration with all industry stakeholders.