

DFM admits Al Ramz Capital as the first Regulated Short Selling (RSS) Service Provider

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- **Mohammad Al Mortada Al Dandashi: “DFM has introduced yet another investment tool to further assist investors to diversify their investments and mitigate the risk”**

Dubai, 12 February 2018: Dubai Financial Market (DFM) today announced that Al Ramz Capital has become the first member that receives a DFM accreditation to provide the Regulated Short Selling (RSS) Service to its client base. The DFM has launched the RSS Service recently as part of its efforts to provide market participants with new tools to further strengthen their trading activities, better utilize their resources, and further enhance market liquidity.



The Regulated Short Selling enables investors to short securities listed on DFM through selling borrowed shares with a commitment to return to the lender based on the mutually signed agreement. To implement RSS, the brokerage firm has to ensure that the borrowed securities are located on the client's account prior to placing a short selling order, with exception of DvP clients, as a lending confirmation is sufficient to proceed with the order. The RSS complements the Securities Lending and Borrowing activity whereby approved lenders can lend securities to approved borrowers for settlement of RSS trades.

Hassan Al Serkal, Chief Operating Officer (COO) and Head of Operations Division, DFM said:

“We are delighted to announce that Al Ramz Capital received the first of its kind license to provide the RSS Service. The company is amongst the leading brokerage firms that rapidly embrace DFM's development initiatives providing diversified and advanced services to our market participants. The introduction of RSS stems from our strategy that focuses on providing market participants with a diversified array of products and services in line with international best practices in order to enhance trading activity and market liquidity.”



“We are honored and pleased that our subsidiary, Al Ramz Capital, is the first company to be granted short selling license in DFM. It’s another milestone in our journey of leadership and continuous development, we thank DFM for introducing yet another investment tool to further assist investors to diversify their investments and mitigate the risk, we will always be working hand in hand with the regulators in any initiative that will contribute to the markets development.” Said Mohammad Al Mortada Al Dandashi, Managing Director of Al Ramz Corporation PJSC.

Ayman Ghoneim, Chief Operating Officer of Al-Ramz Capital, said “Short Selling aims to increase the level of liquidity and will contribute to increasing volumes and trading values. This mechanism will create a buyer at each point, which will result in enhancing investment opportunities and creating better risk management environment and the possibility of making profits from stock markets in the event of a downturn.”

The DFM has recently released a list of 19 securities eligible for trading as part of the Regulated Short Selling (RSS) Service based on the semiannual review of January 2018.



It is noteworthy that the exchange is currently processing license requests from number of brokerage firms that will provide this service once receiving the approval and completing the technical testing.

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About Dubai Financial Market: Dubai Financial Market (DFM) was established as a public institution with its own independent corporate body. DFM operates as a secondary market for the trading of securities issued by public shareholding companies, bonds issued by the Federal Government or any of the local Governments and public institutions in the country, units of investment funds and any other financial instruments, local or foreign, which are accepted by the market. The DFM commenced operations on March 26, 2000 and became the first Islamic Shari'a-compliant exchange globally since 2007. Following its initial public offering in November 2006, when DFM offered 1.6 billion shares, representing 20 per cent of its paid-up capital of AED 8 billion, DFM became a public joint stock company and its shares were listed on 7 March 2007 with the trading symbol (DFM). Following the IPO, the Government of Dubai retained the remaining 80 per cent of DFM Company through Borse Dubai Limited. www.dfm.ae

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