

GUIDELINES FOR TRADING

Accordingly, the following activities and instruments shall not be permitted under MRA Wiqaya:

- **Shariah Non-Compliant Stocks:** Investment or trading in Shariah non-compliant stocks, including shares of companies engaged in prohibited activities such as conventional banking, alcohol, gambling, or other non-halal businesses, or companies whose core business is halal by nature but which fail to satisfy the approved Shariah screening criteria, as only securities meeting approved Shariah screening criteria shall be eligible for trading.
- **Conventional Debt Instruments:** Investment in conventional debt instruments, including bonds, Treasury Bills (T-Bills), and Pakistan Investment Bonds (PIBs), as these instruments are based on interest (riba) and are therefore not permissible under Shariah principles.
- **Short Selling, Blank Sale, and Securities Lending & Borrowing (SLB):** Short selling, blank sale transactions, and Securities Lending and Borrowing (SLB) arrangements, as these involve selling or transferring assets not owned by the investor and introduce excessive speculation and uncertainty (gharar).
- **Day Trading and Speculative Intraday Activity:** Active day trading or excessive intraday trading behavior that is primarily speculative in nature and not based on genuine investment intent or ownership considerations.
- **Preferred Shares:** Trading or investment in preferred shares where return structures resemble fixed or guaranteed income mechanisms akin to interest-based instruments.
- **Letters of Right:** Trading in letters of right of listed securities, as such instruments are not permitted under the Shariah framework adopted by MRA Wiqaya.
- **Non-Compliant REIT Units:** Trading or investment in Shariah non-compliant Real Estate Investment Trusts (REITs), particularly those with exposure to non-permissible business activities or interest-based income streams, while only Shariah-compliant REIT units shall be eligible.
- **Non-Compliant Exchange Traded Funds (ETFs):** Trading or investment in Shariah non-compliant Exchange Traded Funds (ETFs) that include prohibited securities or interest-based instruments within their underlying portfolios.
- **Derivatives and Futures Contracts:** Participation in derivative instruments, including futures (deliverable or cash-settled), stock index futures, options, and similar contracts, due to the presence of excessive uncertainty (gharar), speculation, and absence of underlying asset ownership at the time of contract formation.
- **Margin Trading System (MTS) and Margin Financing System (MFS):** Participation in the Margin Trading System (MTS), Margin Financing System (MFS), or any other interest-based margin financing or leveraged trading arrangements is not permitted, as these involve interest (riba) and financing structures that are not compliant with Shariah principles.