

# ASIF Newsletter

Quarterly Issue, April 2013

The Newsletter of the Asian Securities and Investments Federation

## Secretariat News

**ASIF Annual General Meeting and 2013 Conference will be held late October in Sydney, Australia**



Sydney Opera House and Harbour Bridge

ASIF Annual General Meeting and other committee meeting will be held on Saturday 26 October 2013 hosted by Financial Services Institute of Australasia (FINSIA). In conjunction with the AGM, the ASIF 2013 Conference will be held on Friday 25 October 2013. FINSIA will also kindly host the Sydney Harbour Cruise on Sunday 27 October.

We sincerely hope that as many people as possible from the ASIF member societies would be able to attend this wonderful networking opportunity.

Details of the programs and the venue will be informed to all members as soon as they are available.



View from the office of FINSIA

### Change of membership status

Recently there have been several changes of the membership status among the ASIF members. Institute of Financial Professionals New Zealand (INFINZ) withdrew from ASIF effective 9 January 2013. Also, there was an application by SAA Thailand to reinstate their full membership, and at the Special General Meeting held 4 February 2013, it was approved that SAA Thailand's full membership status will be reinstated from July 2013.

The conversion of membership status of Council for Portfolio Management and Research (CPMR) India from a full member to an associate member was approved at the Special General Meeting held 19 March 2013. As the result, ASIF will have eight full members and one associate member as of 1 July 2013.

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# Calendar 2013

**25-27 June 2013**

ACIIA/CIIA, Asia Forum  
ACIIA Council Meeting  
ACIIA Annual General Meeting  
**Lisbon, Portugal**

**October 25-27 2013**

ASIF Annual General Meeting  
ASIF 2013 Conference  
**Sydney, Australia**

## Member's Regional News

### FINSIA Australia

#### Finsia, AB+F create financial sector partnership

Finsia is proud to announce a new industry partnership with AB+F, Australia's highly respected magazine for the banking and finance community.

In a ground-breaking deal for both organisations, Finsia will be AB+F's financial services industry partner in the delivery of more than 40 events throughout 2013.

Finsia members will be given privileged access to over 40 industry forums, conferences and awards programs in addition to the current suite of member benefits. The Finsia and AB+F events will cover a wide range of topics, including retail banking, corporate and business finance, wholesale banking, financial markets, managed funds, superannuation, regulation, technology and insurance.

Finsia members will also have numerous opportunities to become directly involved in presentations, panel discussions and networking evenings with the most senior banking, finance and insurance executives in Australia.

In addition to partnering with Finsia to deliver our events schedule, AB+F will provide Finsia members with exclusive daily editorial coverage of news and events across the region.

"There is no doubt that in 2013 the financial services sector will continue to be driven by regulation, technology, big data, global economic forces and the repricing of risk. AB+F and Finsia are looking forward to embracing these challenging and complex discussions with you and your colleagues in 2013," said Russell Thomas F Fin, Finsia's CEO and managing director.

Finsia's members and AB+F's supporters and sponsors will also benefit from this important partnership, through the wider and deeper engagement across the whole financial services industry that this alliance will foster.

Finsia members will continue to receive high quality and compelling member benefits, along with greater opportunities to broaden their own professional networks and further their career development through access to premium AB+F content and events.

#### Time For Automatic Enrolment, Kiwisaver Study

**With increasingly broad and diverse membership, the time has come to introduce auto-enrolment for all New Zealanders according to the latest annual research into consumer perceptions of the KiwiSaver scheme released by the Financial Services Institute of Australasia (Finsia).**

Previously, this research has found differences in membership according to educational attainment and working status, with self-employed and part-time workers less likely to be members of the scheme.

Finsia CEO Russell Thomas F Fin said, "Understanding change in consumer perceptions over time is vital, particularly as the KiwiSaver scheme has been the subject of much legislative change during its short operation."

UMR Research conducted 1008 online interviews based on a survey instrument designed

by Dr Claire Matthews of Massey University. The research compares findings of consumer perceptions of the KiwiSaver scheme conducted in 2011 — including, the importance of saving for retirement; sources of financial advice; and attitudes to changes announced in the 2011 budget. In this year’s survey, New Zealander’s levels of engagement with KiwiSaver were specifically tested.

“As expected there is a relationship between the size of a person’s KiwiSaver account and their level of engagement in it, but the level at which that engagement kicks in is lower than expected, being in the \$2501–\$5000 band,” Dr Matthews says.

Dr Matthews also found that misunderstandings about some elements of the KiwiSaver scheme remain.

“Despite KiwiSaver having being around for more than five years now, there is still a lack of awareness about the opt-out and contribution holiday provisions, and whether the scheme applies to the self-employed.”

There are significant age and gender-based differences in engagement with retirement savings. Dr Matthews found that men (63%) are more likely to have other investments and savings to help them in retirement than women (47%). Similarly, 18–19 year olds are less likely to hold other savings and investments (9.1%) than 60–65 year olds (79%).

Commenting on these findings, Finsia CEO Russell Thomas said, “Finsia’s research into retirement savings shows the importance of driving engagement in superannuation schemes deeply and early to improve retirement outcomes.

“The increase in the percentage of New Zealanders that support KiwiSaver membership being made compulsory shows that the government should act on its commitment to consult on automatic enrolment for all New Zealanders who are not already in KiwiSaver.”

### **New Index For Australian Finance Sector In The Asian Century**

**Finsia, the University of New South Wales Institute of Global Finance (IGF), and the New York University Volatility Institute have today signed a collaboration agreement to research volatility and systemic risk in the Australian financial system.**

This research will provide the Australian market access to volatility and systemic risk models that have been developed in the USA by Nobel Laureate, Professor Robert Engle. The study will collate data highlighting systemic risk issues specific to the Australian financial system that has played a key role in promoting sound global and regional financial framework.

Finsia CEO Russell Thomas F Fin said, “Systemic risk has become an important issue for the financial services industry, regulators and the general public since the Global Financial Crisis. As we forge closer business ties with Asia, it is vitally important to understand the systemic and volatility risks that impact Australian financial institutions in global and regional capital markets.”

In addition to the research, an index will be created to provide real time data on systemic risk for large and small banks and non-bank Australian financial institutions. This data will be a vital resource for the industry to signal to global and Asian capital markets the strength of Australia’s financial institutions in the post GFC era. This will assist Australia’s big four and burgeoning superannuation funds to build on their comparative advantage and further expand and diversify their business activities both globally and regionally.

The Director of the Institute of Global Finance at UNSW, Professor Fariborz Moshirian also emphasised the project’s strategic significance, “This project is very exciting and important, as we are able to provide detailed analysis of the contribution of Australian banks and non-banks to global and regional financial systemic risk. The collaboration with the Volatility Institute at NYU will ensure world class research work in an area that is highly important for financial markets.”

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## HKSI-Hong Kong

### Hong Kong Securities and Investment Institute Appointed New Board Directors.



*Mr. Craig Lindsay, New Chairman of HKSI*

The 15<sup>th</sup> Annual General Meeting (AGM) of the Hong Kong Securities and Investment Institute was held on Wednesday, 5 December 2012, during which the new Board for 2013 was formed as follows:

#### **Board Directors elected by members:**

Prof Michael Arthur FIRTH, Hong Kong Economic Journal Chair, Professor of Finance Lingnan University

Mr. John Martin MAGUIRE, Head of Corporate Finance, REORIENT Financial Markets Limited

Mr. Colin Stuart SHAFTESLEY, Partner, Financial Services Practice, PricewaterhouseCoopers, Hong Kong

Mr. TSANG Chi Suen Trini, Wocom Holdings Limited, Director and General Manager

#### **Board Directors appointed by the Securities and Futures Commission (SFC):**

Mr CHIU Kwok Keung Ringo, Managing Director and Chief Operating Officer, CITIC Securities International Company Limited

Mr SHEK Chi Fai Derek, Director of Licensing, SFC

Mr WONG Ying Kwan Stephen, Chief Executive Officer, HSBC Broking Services (Asia) Limited

#### ***In addition, the following eight Board Directors will hold office until the next AGM:***

Mr Craig Blaser LINDSAY (Chairman)

Mr CHAN Ping Keung Bryan

Ms HO Shuk Yee Samantha

Dr LAM Kit Lan Cynthia

Mr Philip Andrew TYE

Ms WONG Wai Kwan Anna

Mr WONG Shiu Hoi Peter

Mrs Edith NGAN CHAN (Chief Executive)

Mr Craig Blaser Lindsay was elected as the new Chairman at the first meeting of the Board held immediately after the AGM. Mr Lindsay has over thirty years industry experience working in major financial centres including New York, London, Tokyo, and now in Hong Kong. He has worked in prestigious companies like Goldman Sachs and Tokai Asia and is currently the Managing Director and Chief Operating Officer of CITIC Securities International Investment Management (HK) Limited as well as the Chairman of China New Economy Fund Limited.

Mr Lindsay appreciates the effort of the previous Board Directors: "We would like to express our heartfelt thanks to the outgoing Chairman, Mr Anthony Muh, and the entire Board of 2012 for their invaluable contributions to the HKSI over the years."

"This year, the HKSI celebrated its 15<sup>th</sup> anniversary and rebranded the name of the Institute to 'Hong Kong Securities and Investment Institute' with a new logo to highlight our positioning in both sectors," Mr Lindsay added.

#### **Notable achievements:**

- Brought first internationally recognised private wealth management qualification, CIWM (Certified International Wealth Manager), to HK and Asia
- Developed and completed Licensing Examination (LE) for Credit Rating Agencies (LE Paper 4 and Paper 10)
- Extended offering of LE to Taiwan such that LE is available for the whole Greater China area

Chief Executive of the HKSI, Mrs Edith Ngan Chan, congratulates the new Board Directors and welcomes Mr Lindsay's appointment. She said, "Mr Lindsay has been a HKSI member since 1997 and he was inducted as a HKSI Fellow in 2007. In the past fifteen years, he has served as a HKSI Board Director (2005-10; 2011-now), members in HKSI Executive Committee and Examinations Committee, and has also chaired the Membership Committee, Editorial Committee, Audit Committee, and E-Committee. Mr Lindsay provides important links from our past achievements to the bright future.

### Finance Professionals' Achievements Recognised



Twenty-five finance professionals received the HKSI Licensing Examination for Securities and Futures Intermediaries (LE) Outstanding Achievers Award in recognition of their excellence in the LE they took. Through celebrating and publicising their achievements, the HKSI seek to encourage finance professionals and potential entrants to set high standards for themselves and work hard to achieve their goals in the industry.

The award presentation ceremony was held on 28 February 2013 during the HKSI Annual Chairman's Cocktail, which serves as a platform for industry peers to catch up with acquaintances and meet new friends. Ms Au King-chi, Permanent Secretary for Financial Services and the Treasury (Financial Services), was the guest of honor presenting the awards.

In his welcome remarks, Mr Craig Lindsay, the HKSI Chairman, outlined some of the achievements that the HKSI had accomplished and announced the upcoming initiatives. Last year, the HKSI held close to 300 professional

events and education programmes; they were attended by over 25,000 industry practitioners and were well received.

"We continue to dedicate our resources to developing as well as enhancing professional qualifications for our members and industry professionals," Mr Lindsay said. "This year, we will focus on the development of the LE Papers for the IPO sponsors following the conclusion of the SFC consultation earlier in the year. Meanwhile, we continue to work on the OTC examination to be in step with the regulatory requirement of the SFC."

Mr Colin Shaftesley, Chairman of the Examination Committee, was delighted to present the awardees in recognition of their hard work. "In 2012, we have over 27,000 candidates who took the LE. There are 25 Outstanding Achievers, 2 of whom receive the award for more than one LE paper," Mr Shaftesley said.

The LE candidates who attempt a LE paper for the first time and achieve 95% or above of the total score enter the pool for the Awards as "Candidates of the Month". There were 297 "Candidates of the Month" last year. From the pool, those who score the highest mark in each LE paper during the calendar year are then recognised as "Candidates of the Year" and commended as Outstanding Achievers. Of the 12 LE papers, Paper 3 (Regulation of Derivatives) has 6 Outstanding Achievers while Paper 1 (Fundamentals of Securities and Futures Regulation), paper 7 (Financial Markets), and Paper 12 (Asset Management) all have 4 Outstanding Achievers.

Congratulating the candidates, Mrs Edith Chan, Chief Executive of the HKSI, said, "The HKSI is dedicated to supporting the growth of the finance industry by grooming talents through professional examinations, training courses, and special events we offer. We also provide the tools by which the industry can measure such talents for employment and advancement in forms of professional qualifications, diploma certificates, and awards like this. We commend the Awardees for their hard work and outstanding achievement and wish them all the best in the career pursuits."

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## SAAJ Japan

### SFI Group visited SAAJ

On 26th March 2013, a group headed by Mr. Chen Wei Lung, President of Securities & Futures Institute SFI visited the Securities Analysts Association of Japan SAAJ. The SFI provides the CIIA exams, commissioned by ACIIA and the Securities Analysts Association, Chinese Taipei SAA CT which is a member of ASIF and ACIIA. The group comprised of 16 delegates from SFI, Taiwan Stock Exchange, GreTai Securities Market and other organizations in the financial industry in Chinese Taipei.

SAAJ conducted a special seminar for the group with two main presentations: 1. "World Financial Crisis and Asia" by Shinichi Yoshikuni, Senior Managing Director, Mizuho Securities Research & Consulting; and 2. "Challenges for Japanese Pension System" by Akiko Nomura, Senior Analyst, Nomura Institute of Capital Market Research. SAAJ also made a brief presentation on overview and contents of the Private Banking Education program which will be launched in May 2013.



SAAJ President & CEO Kiyoto Hagiwara welcomed the SFI Group



SFI Group lead by Mr. Chen Wei-Lung, President of SFI and Mr. Kiyoto Hagiwara, President and CEO of SAAJ at the center

### 4<sup>th</sup> SAAJ International Seminar held on 21<sup>th</sup> & 22<sup>nd</sup> February

SAAJ successfully held the 4th SAAJ International Seminar on 21<sup>th</sup> and 22<sup>nd</sup> February 2013 at Gakushikaikan Hall in Tokyo with the support of ACIIA, ASIF, and EFFAS. Over 70 investment analysts participated. The main theme was "Pension Fund Management in Global Low-growth Environment" and six prominent speakers discussed challenges and new proposals for the pension fund management under the environment of low growth rates and low interest rates.

On the second day, there was a half-day case study program where an empirical analysis and simulation of multi-asset class portfolios and associated risk management was made through intensive group and general discussions based on practical cases.



Panel Discussion "Challenges in Pension Fund Management Today – From Asset Allocation to Due Diligence": Takashi Imai, Barclays Securities, Hidenori Suzuki, JP Morgan Asset Management, and Lance Babbit, Russell Investments

## KCIAA –Korea

### KCIAA Announced the Election of its New Chairman



Mr. Sundae Kim

On January 11, 2013, the Korea Certified Investment Analysts Association (KCIAA) held its Interim General Meeting and elected Mr. Sundae Kim, KCIAA vice chairman and ACIIA council member, representing ASIF as the successor to former chairman Kun Ho Hwang

Until last year, the chairman of the Korea Financial Investment Association (KOFIA) has

simultaneously acted in the capacity of KCIAA chairman. However, after KOFIA transferred the control over the conduct and administration of the Certified Investment Analysts (CIA) exam to KCIAA, KCIAA took the decision to elect its own chairman from 2013.

In his inauguration speech, Chairman Kim expressed his strong determination to resolve the asymmetric information problem existing within the Korean capital market, by focusing on securing analysts' independence. KCIAA is also committed to actively promoting the CIA exam and invigorating CIIA.

Mr. Kim is CEO & President of KIS Pricing, Inc., and until 2011, he had served as the executive



vice president of Korea Investors Service, Inc., a Moody's affiliate. He is a founding member of the company and has a vast experience in the field of business analysis and evaluation.

### KCIAA CIA and CIIA Membership Award Ceremony

The Korea Certified Investment Analysts Association (KCIAA) held its 2013 Certified Investment Analysts (CIA) and CIIA Membership Award Ceremony on January 11, 2013. The KCIAA board members attended its ceremony as well as the eighteen candidates who, out of a total of sixty-four, successfully passed the CIA examination last November, 2012. Before taking it, they were required to sit for the Certified Research Analysts (CRA) examination in 2012, 300 persons passed.

At the ceremony, KCIAA new elected Chairman, Mr. Kim expressed his hope that CIA certificates won't just be considered as confirmation of

their holders' abilities, but also as the pillars of confidence and self-esteem that they are the key core experts for the development of the capital market

## SAA Thailand

### Awards for Listed Companies 2012



SAA Awards for Listed Companies 2012

SAA Awards for Listed Companies 2012 ceremony has been organized for 4 consecutive years by SAA to present awards to executives (Chief Executive Officers, Chief Financial Officers, Investor Relations) of listed company who had shown outstanding managements' performance, insightful, relevant, accurate, clear, and quality information disclosure including outstanding corporate governance report and business ethics.

In the latest awards presentation ceremony held on 6 February 2013 at Four Season Hotel, Bangkok, SAA was honored to have Mr. Kittirat Na Ranong, Deputy Prime Minister and Minister of Finance to present awards to the winners.

### SAA Awards for Analysts 2012



SAA Awards for Analysts 2012

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SAA hosted the 6th SAA Awards for Analysts Ceremony on 2 April 2013 to present awards to analysts in order to recognize top analysts and research team. The objectives of giving the awards were to encourage analysts to produce quality research, to recognize superior analyst performance, to create public awareness on the significance and contribution of securities analysts and research reports to the capital market, to promote accountability and ethics of analysts, etc.

This ceremony was supported by Stock Exchange of Thailand, Kasikorn Bank, Siam Commercial Bank, Jasmine International, Charoen Pokphand Foods, S.Khonkaen Foods, SPCG, Thai President Foods and Thai Tap Water Supply.

This year awards comprised of 2 categories: Institutional Investors and Retail Investors, with 12 prizes for each category plus one award of popular vote from news reporters in the capital market. Winners are as follows:

### SAA Survey



*Mr.Sombat Narawutthichai, Secretary-General, SAA*

On 2 April 2013 our Secretary-General, Mr.Sombat Narawutthichai reported the 1st survey of this year conducted with 17 brokerage houses. Analysts revised up year-end target for the SET index to 1,704 points averagely. This year's listed companies' earnings growth is forecasted at 20.3% (up from 15% projected last December). Furthermore, major factors driving the capital market are government spending and private investment.

### Exclusive Meeting with Deputy Prime Minister and Finance Minister



*Deputy Prime Minister Kittiratt Na-Ranong*

Mr.Sombat Narawutthichai, SAA's Secretary-General led 40 members in the exclusive meeting with Mr. Kittiratt Na-Ranong, Deputy Prime Minister and Finance Minister to get in-depth information on "Thailand 2020: New Step for Global" Exhibition at Rattthaprasatsanapakdi Building B, Government Complex, Chaeng Wattana on 16 March 2013.

"Thailand 2020: New Step for Global" concepts for the national infrastructure development are:



*Exclusive Meeting with Deputy Prime Minister and Finance Minister*

- 1) To enhance national competitiveness.
- 2) To make Thailand a strategic hub connecting ASEAN and its 600-million citizens under the conceptual framework of 'connectivity'.
- 3) To reduce logistic cost of Thailand through the project of land and waterway connectivity.
- 4) To connect tourist attractions in various provinces in order to equally spread prosperity and to persuade tourists to stay longer in the country.



- 5) To provide more options on transportation connectivity with high-speed railway system, reduce transportation cost and distribute prosperity to rural areas.

### SAA Forum on AEC

SAA is urging our members to understand the economic and accounting standards as Thailand prepares for regional integration under the 2015 launch of ASEAN Economic Community (AEC).

On 21 March 2013, SAA hosted the seminar on “In-depth on AEC economic and accounting standards (Thailand, Malaysia, Singapore, Indonesia, Philippines and Vietnam)” to provide understanding on the economic and accounting standards in the AEC region as well as to analyze the opportunities and threats from AEC.



“SAA Forum on AEC”



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