

ASIF

Newsletter

Quarterly Issue, July 2013

The Newsletter of the Asian Securities and Investments Federation

Secretariat News



View of Harbour Bridge and Opera House in Sydney

ASIF AGM and ASIF 2013 Conference in Sydney

As it has been previously reported, the ASIF 2013 Conference will be held on Friday 25 October 2013 in Sydney, Australia, kindly hosted by Financial Services Institute of Australasia (FINSIA). This is the third time that ASIF Conference will be held in Australia. The last occasion was in 1993 when Securities Institute of Australia (SIA), one of the predecessors of FINSIA hosted the event prior to the incorporation of the Federation in 1995.

This time, the ASIF Conference will be held as a half-day event including



Professor Bruno Solnik, Keynote Speaker at the ASIF 2013 in Sydney

Professor Bruno Solnik, prominent professor of Finance at Hong Kong University of Science & Technology and Distinguished Emeritus Professor of Finance at HEC-Paris. His speech is entitled "The Eurozone crisis and implications for

investments" followed by another Speech "China and the emerging markets". In addition, there will be a Roundtable discussion on "Regulatory environment of the Australian financial sector".

Following the conference, ASIF Executive Committee meeting, Annual General Meeting will be held on Saturday 26 October at the Boardroom of FINSIA. Concurrently, there will be the third meeting of "ACIIA/CIIA Asia Forum" followed by ASIF AGM, for the purpose of discussing the issues relating to the promotion of the CIIA program in Asia and Oceania region.

Sunday 27 October is allocated for a city tour of Sydney. Although there will be no official arranged tour for ASIF Group, the ASIF Secretariat will be happy to provide information on the city tours in cooperation with FINSIA. We look forward to welcoming as many participants as possible from among ASIF members region. Details of the final program, venue, and recommended hotel information will be circulated to all ASIF members in due course.

SAA Thailand was re-instated as Full Member of ASIF

SAA Thailand's re-instatement as ASIF full member became effective as of 1 July 2013 as it was approved at the ASIF Special General Meeting held 4 February 2013. As the result ASIF has 8 full members and one associate member. We sincerely hope that the activities of the federation will be further enhanced.

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Calendar 2013

25-27 October 2013

ASIF Annual General Meeting
ASIF 2013 Conference
Sydney, Australia

14 November 2013

ACIA Council Meeting
To Be Advised

Member's Regional News

FINSIA Australia

Roundtable on Australia's Superannuation System and Retirement Adequacy



Attendees to roundtable on Australia's superannuation system and retirement adequacy

On Thursday 11th July Finsia hosted 14 superannuation industry leaders for a roundtable to discuss Australia's superannuation system and retirement adequacy. The highly successful roundtable formed a component of Finsia's ongoing research campaign into 'The Retirement Risk Zone' - the critical conversion phase between retirement saving and retirement income (www.retirementriskzone.com.au).

The roundtable debated the following industry challenges:

Superannuation System - Australia has led the world in the development of retirement savings policy based on defined contribution plans. As the 21st century workforce continues to evolve, what should our superannuation system look like

to meet the challenges of the global economy and the need to provide retirement security for all Australians?

Governance - Recent trends suggest that as superannuation funds grow in scale - because of growing contributions and mergers - trustees and management are bringing many functions in-house. Can the industry's prevailing governance standards cope with what is a step change in the scope and scale of superannuation fund operations?

Adequacy - The amount a person should save for retirement may differ based upon their income, their marital status, the number of children they have, and other factors. Unfortunately, there seems to be no simple rule that will dictate a correct saving rate for each person. How should we engage with members on this issue? What kinds of products, advice, member communication and education may assist?

Engagement - A lot of the industry's focus is on engaging young people (20's, 30's) but anecdotal evidence suggests it is difficult to engage with many 65 years old on matters relating to end-of-life issues (medical needs, aged care requirements, estate planning). Yet many of these issues bear on the problem of financial management in retirement. How can funds assist plan members to think comprehensively about financial planning?

Regulation - We often hear in the superannuation debate buzz words like "streamlined", "low cost", "convertible to lifetime income" and "financially transparent". What do these terms mean in practice? Is our understanding of the practicalities of these ideas changing in a MySuper world?

Retirement - Research continues to grapple with the idea of the most appropriate safe withdrawal rate during the decumulation phase. We also know that retirees are faced with uncertain, large and lumpy expenditure requirements relating to medical expenses and aged care. How do we explicitly incorporate these uncertain expenses in the already difficult task of managing wealth in the face of uncertain returns and longevity?

Taking part in the roundtable were:

Mr Jason Andriessen, General Manager - Marketing, Product & Advice, State Super Financial Services

Mr Andrew Boal, Managing Director, Towers Watson

Mr Marcus Bohman, Product Manager, First State Super

Ms Dena Brockie, Head of Product Management, Commlnsure

Mr Greg Brunner, General Manager, Actuarial, Accounting, Market and Insurance Risk Services, APRA

Mr Graeme Colley, Director Technical & Professional Standards, SMSF Professionals' Association of Australia

Mr Jeremy Cooper SF Fin, Chairman, Retirement Income, Challenger

Professor Michael Drew SF Fin, Department of Accounting, Finance and Economics, Griffith Business School

Mr Graeme Mather, Managing Director, Mercer

Professor Deborah Ralston SF Fin, Professor of Finance, Monash/ ACFS

Mr Troy Rieck F Fin, Managing Director, QIC

Mr Mark Smith, Group Executive, Perpetual Private

Mr Russell Thomas F Fin, CEO & Managing Director, Finsia (Chair)

Dr Adam Walk F Fin, Postdoctoral Research Fellow, Griffith Business School

Finsia began the Retirement Risk Zone (www.retirementriskzone.com.au) in 2012 and released its first research piece - Sequencing Risk: A Key Challenge to Creating Sustainable Retirement Income last October. This research, compiled in conjunction with Griffith University, demonstrated the path dependency of retirement outcomes for investors in the accumulation phase. It has received recognition throughout the industry and sequencing risk is now a concept that is widely understood by regulators, fund members, trustees and managers.

The roundtable discussion has assisted Finsia in the second stage of the Retirement Risk Zone campaign that examines the decumulation phase more closely. This research is being completed in conjunction with Professor Michael Drew and Dr Adam Walk.

By bringing together senior figures from across the industry, this roundtable offered both Finsia

members and the wider community an insight into the challenges of managing Australia's growing pool of retirement savings.

HKSI Hong Kong

HKEx CE Presented Strategic Plan in HKSI's Programme



Mr Charles Li (middle) with Mr Craig Lindsay (HKSI Chairman) and Mrs Edith Chan (HKSI Chief Executive)

On 23 May 2013, Mr Charles Li, Chief Executive of the Hong Kong Exchanges and Clearing Limited (HKEx), presented a speech to a group of guests in the HKSI Roundtable Luncheon. Being one of HKSI's signature events, prominent market leaders are invited to share their views and knowledge with HKSI members and market practitioners in this programme.

One hundred and fifty guests attended the event, most of them senior executives of the industry.

Mr Li introduced the HKEx's strategic plan to the guests, including leveraging on London Metal Exchange (LME) as a catalyst to facilitate accelerated capital account opening and expanding the transaction types.

In addition to the guests, more than 30 journalists from local, regional, and global media channels also joined the event. The event is widely reported later in various media platforms.

Mr Li's presentation can be found in HKEx's official website.

Top University Students Received HKSI Scholarships

The Hong Kong Securities and Investment Institute (HKSI) is dedicated to developing talent for Hong Kong's finance industry. In recognition of students' excellent academic performance,

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the HKSI offers nine (three Senior and six Junior) HKSI Scholarships to the top business and finance students of each participating university since 2004. Over the years, more than 600 university students have received HKSI awards.

This year, 72 top students are nominated by the business and finance departments of eight universities in Hong Kong to receive the HKSI Scholarships. The eight universities are:

- The Chinese University of Hong Kong
- City University of Hong Kong
- The Hong Kong Baptist University
- Hong Kong Polytechnic University
- Hong Kong Shue Yan University
- The Hong Kong University of Science & Technology
- Lingnan University
- The University of Hong Kong

An award presentation ceremony was held on 30 May, 2013. Around 80 guests, including the awardees, their friends and family members, and representatives from the participating universities all joined the ceremony. Together with HKSI Board Members, they all send the awardees best wishes on their success.

Mr Craig Lindsay, Chairman of the HKSI, praised the awardees' achievements, "We are delighted to provide scholarships to the top performers from the eight universities. The scholarships will benefit the students because they provide them complimentary access to a variety of professional programmes. We strongly believe that it is essential, for anyone keen to develop a successful career in financial services industry, to have continual professional training."

HKSI Chief Executive Ms Edith Chan added, "The scholarships help encourage and support the next generation of finance professionals. We are dedicated to reach out to the new entrants as they are the talent pool for the industry. The students will be an important piece to facilitate the sustainable growth of the industry. They are all potential leaders of Hong Kong's financial industry in the short future. We wish them all the best."

Mr Willy Chan, one of the junior awardees, is very excited and happy to receive the award. "The award means a lot to me. This award will be a plus for my future job searching and will also help me prepare for my upcoming internship in an investment bank this summer. And I am very glad to have this networking opportunity to meet peers and senior practitioners in this occasion, which is very important in the business world."

Senior awardee, Ms Wong Cheuk Kwan Jessie, said: "I am very happy to be here today and am glad to meet with senior practitioners from different fields. The insights and experiences they share with us are invaluable. The free training courses that come with the award will be very useful for me. I will sure be better equipped and be more competitive after taking the courses."

The HKSI Scholarship includes:

Awards	Senior Scholarship	Junior Scholarship
HKSI Affiliate Membership	One Year	One Year
HKSI Training Programmes	6 Programmes	2 Programmes
HKSI Professional Events	6 Events	1 Event
Licensing Examinations E-Study Manuals	One Set	N/A

HKSI Delegation to Jakarta Helps Practitioners Assess Market Potential

Eye Openers for HKSI Scholars



Since 2004, the Hong Kong Securities and Investment Institute (HKSI) had organised annual delegations to visit significant Asian financial markets. With the increasing interest among local and global market practitioners in the growth potentials of Indonesia, the HKSI had led a delegation to visit Jakarta from 4th to 6th July.

Delegation members came from local, regional, and global companies of various sectors of the finance industry. Mr Martin Wittwer, who is the Chief Client Officer of an asset management company in Switzerland specialising in Asian investments, was very pleased to have joined the trip via their Hong Kong office's suggestion. "Having learnt much more about the opportunities and challenges of the Indonesian market", Mr Wittwer commented, "This market still has plenty of room to grow. The trip validates some of my assessment of the Indonesian market. It helps fine-tune our company's investment strategy."

Mrs Edith Chan, Chief Executive of the HKSI, commented, "At the HKSI, we see learning the ropes of the financial industry and networking as an important part of grooming our next generation of professionals. That's why this year, for the first time, we also invited two HKSI Scholarship awardees to join the delegation. The HKSI is very thankful for the generosity of I-Access Group Ltd. to sponsor the awardees for the trip."

CEO of I-Access Group Ltd. Mr Louis Mak is a member of the delegation as well. He is delighted to see young talents joining the delegation. "This trip had provided a unique opportunity for the two students to meet senior executives of Hong Kong and Indonesia. I was impressed to see the two youngsters being so mature and eager to learn."

One of the Scholarship awardees, Miss Tracy Wong, found the trip extremely valuable. "It was eye-opening for me to learn about the potentials of the Indonesian market and the state of the art operations of the Indonesia Stock Exchange," she said. "In addition, the fellow delegates were all seasoned practitioners. They gave me practical advice on career development with their own experiences. I really appreciate their mentoring."

Another awardee, Miss Yolanda Yuen, agreed that this was a privilege for her to learn from the senior executives of both markets. "I especially want to thank CEO of I-Access Group Ltd. Mr

Louis Mak, who not only sponsored the trip, but also gave precious advice to me to take into account of the macro development trend in planning my career path."

HKSI Chairman Mr Craig Lindsay, leader of the delegation, said, "The mission is well-known by the market practitioners. It was a fantastic opportunity for delegation members to meet with senior executives of the stock exchange, regulators, and major financial services firms in Indonesia. The insight sharing and network building were invaluable."

SAAJ Japan

Comprehensive Survey to SAAJ Members

On the occasion of celebrating the 50th anniversary in 2012, the Securities Analysts Association of Japan - SAAJ conducted a comprehensive survey on professional qualifications and SAAJ's activities by sending a questionnaire in February 2013 to all SAAJ members, 25,800 in total, including 25,000 holders of the CMA (Chartered Member of SAAJ) designation, among which 2,500 are also CIIA holders, and 400 corporate members. More than 2,400 members responded to the survey for a 9.5 % response rate.

The survey was expected to provide meaningful information for SAAJ to newly develop a long-term strategic vision, and an analysis of the results from various perspectives was made and uploaded to the SAAJ website in April 2013.

Since only the CMA holders are eligible to take the CIIA final examinations in Japan, some of the questions were related to the CIIA qualification including its recognition and advantage in the market. The questions regarding the Private Banking Education and Examination Program launched by SAAJ in May 2013 were also asked. Followings are the results in relation to these questions.

- 15% of the CMA holders responded that they also have the CIIA qualification.
- 4% of the CMA holders responded that they are registered as CIIA candidates.

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- 11% of the CMA holders responded that they would like to obtain the CIIA qualification. Among those people, 1) 70% mentioned that it is useful for the purpose of broadening knowledge and experience, 2) 22%, "CIIA" is attractive due to international recognition, and 3) 3%, it is required in the current job.
- Among those people who responded having no intention of acquiring the CIIA qualification, 1) 70% mentioned that they do not feel necessity, 2) 14%, lack of preparation time, and 3) 9%, lack of knowledge on the difference between CMA and CIIA, as the main reason for not interested in CIIA.
- 27% of corporate members responded that they encourage employees to obtain the CIIA qualification, and about 50% of the securities and investment companies responded similarly.
- Among the respondents, 230 are the CFP (Certified Financial Planner) holders, of which 26% already have the CIIA qualification.
- 17% of the CIIA holders and those registered as CIIA candidates are willing to take the SAAJ Private Banking (PB) Education and Examination Program.
- 24% of those who would like to obtain the CIIA qualification responded that they would also like to acquire the designations of the PB Program.

The SAAJ hopes that the above results would be of some reference to other ASIF member societies.

Special Presentations on Taiwan's Capital Markets in Tokyo



Presentation by Mr. Chao-zon Yang

Special presentations on Taiwan's capital markets were held in Tokyo on 31st May 2013 for the members of the Securities Analysts Association of Japan - SAAJ. One of the speakers was Mr. Chao-zon Yang, Senior Executive Vice President of Taiwan Stock Exchange (TWSE), Secretary General of SAA Chinese Taipei, and



Mr. Chao-zon Yang, Senior Executive Vice President of Taiwan Stock Exchange, Secretary General of SAA Chinese Taipei, Director of ASIF



Mr. Shingo Ito, Unit Chief, Research Department-Asia, Mizuho Research Institute Limited

one of the Directors of ASIF. His presentation, entitled "Outline of Taiwan's Capital Markets", provided the audience with significant information on the capital market conditions and developments in recent years in Taiwan as well as insights for deepening economic relationship between Taiwan and Japan by elaborating on the investments made by the Japanese corporations in Taiwan.

The second session was entitled "Recent Situations on Taiwanese Economy and its Prospect" by Mr. Shingo Ito, Unit Chief, China Unit, Research Department - Asia of

the Mizuho Research Institute. He explained the importance of Taiwan for the Japanese corporations as an investment target and possible springboard to make foreign direct investment to China.

SAA Thailand

SAA Annual General Meeting



AGM of SAA Thailand, 29 April 2013

The Annual General Meeting (AGM) of the SAA, Thailand was held on 29 April 2013, which the new Board and Advisor for 2013-2015 was formed as follows:

Directors:

- Mr.Paiboon Nalinthrangkurn, CFA
Chief Executive Officer, TISCO Securities Co., Ltd.
- Ms.Porranee Tongyen, CISA
Executive Vice President, Asia Plus Securities Public Co., Ltd.
- Mr.Sombat Narawutthichai
Secretary-General, Securities Analysts Association
- Mr.Satit Wannasilpin
Executive Senior Vice President, ASCO Training Institute - Association of Thai Securities Companies
- Mr.Varut Kajonvakim
Senior Director, Government Pension Fund
- Mr.Sukit Chawalitakul, CFA
- Mr.Tanavatt Bhanijkasem
Senior Executive Vice President & CIO, SCB Asset Management Co., Ltd.

Advisor:

- Dr.Aekkachai Nittayagasetwat, Ph.D., FRM
Associate Professor, National Institute of Development Administration
- Mr.Paiboon Nalinthrangkurn, CFA was elected as the new Chairman.

SAA Focus Group on “Technical Analysts License”



Mrs. Pattera Dilokrunthirapop and Mr. Sombat Narawutthichai

The Securities and Exchange Commission (SEC) will set up technical analyst license apart from the current securities analyst license, to prevent investors' confusion. Therefore, SAA called a focus group to hear comment from technical analysts on 27 May 2013. The session was led by

- Mrs. Pattera Dilokrunthirapop, Chairperson, Association of Thai Securities Companies
- Mr. Sombat Narawutthichai, SAA Secretary-General

SAA Forum



One of the forum conducted by SAA Thailand

In the 2nd quarter this year, SAA had conducted 6 Forums which were intended to promote knowledge in the area of Finance and its related fields of Accounting, Securities Analysis, Rule and Conduct. Our guest speakers were from professors in universities, specialists and senior securities analysts.

The forum were as follow:

- 14 June: Update issues & cases and proper conduct for investment consultants, analysts and listed companies.
- 22 June: Analysis of revenue and profit in financial statement.
- 23 June: Tips on using the data for analysis.
- 6 July: Analysis of cash flow statement.
- 13 July: Caution in using financial information for business analysis.
- 20 July: Sector analysis – Property



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