

# ASAF Newsletter

Quarterly Issue June 2001

THE NEWSLETTER OF THE ASIAN SECURITIES ANALYSTS FEDERATION INC

also available on [www.asaf.org.au](http://www.asaf.org.au)

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A U S T R A L I A • C H I N E S E T A I P E I • H O N G K O N G • I N D I A • I N D O N E S I A • J A P A N

## Interim Executive Committee Meeting held in Penang, Malaysia

On 9 June 2001, the ExComm met in Penang, Malaysia for a whole-day's intensive meeting and discussion sessions during which it reviewed, inter alia, ASAF's various education, publications, administrative and financial activities; initiatives undertaken since the last ExComm meeting in Taipei on 5 November 2000 and ASAF's role in raising the standards of the region's financial market through education and code of ethics. Extracts from reports submitted by the various committees and finance task force are reproduced herewith. The ExComm also discussed ASAF's ongoing relationship with its international associates, including the AIMR, EFFAS and the IASC.

### Education Progress Report

Mr Gentarō Yura, as the Deputy Chair of the ACIIA®, reported on the progress of the Association and the success of the first CIIA® exam held in March 2001 with candidate number exceeding expectation. The ACIIA®'s AGM agenda on 27/28 June in Zurich, considers, inter alia, worldwide promotion of the CIIA® program and enhancement of membership terms to accommodate members' needs. ExComm accepted the SIA's proposal that as the Deputy Chair of the ACIIA®, Mr Yura should take over the chairmanship of the EduComm.

### Publications Progress Report

The report provides an update on publications activities and initiatives undertaken since the last Committee meeting and AGM in Taipei in November 2000. All initiatives proposed and approved by members as regards the publication and distribution of the newsletter, electronic journal, directory and website have been satisfactorily carried out. The publications are also used to advertise the CIIA® program and the annual conference. The PubComm is satisfied that maximizing the utilization of electronic means will continue to save costs and improve distribution. Meanwhile, ExComm proposes to have its members contribute articles to the newsletter and the Chairman/Deputy Chairman using the newsletter more frequently as a platform to deliver messages to its members.

### Finance Task Force (FTF) Progress Report

Members of the FTF team, comprising the ASAF Manager and Professor Aida, Professor of Accounting, Keio University, Japan, each researched and prepared independent reports in line with the terms of reference as approved by members at the AGM of 2000. Meetings were held in Tokyo on 9 and 11 May attended by the manager and the professor to review and finalize the FTF's findings collectively for submission to the ExComm. After a thorough review of the FTF team's joint proposal, the ExComm accepted the proposal with some minor modifications thereto. Submission will be made to members at a Special General Meeting in writing for approval of recommended changes to the existing Financial Guidelines and financial statement presentation in time for the 2000/2001 financial year end.



### ASAF Annual Conference 2001

---- Hosted by HKSI ----

3 - 5 December 2001

Hong Kong Convention and  
Exhibition Centre

Official Conference Hotel

The Renaissance Harbour View Hotel

Register early!

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### IASC News

The Trustees of the IASC Foundation appointed 13 members in April 2001 in addition to the Chairman, Sir David Tweedie, to the IASB. Of these highly qualified individuals, official liaisons appointed for the ASAF region are: Warren McGregor, whose long list of credentials include past directorship with the Australian Accounting Research Foundation, and is the official liaison with standard-setters in Australia and New Zealand; Tatsumi Yamada, whose long list of credentials include representation on various accounting and standards board and was an ExCo member of the IASC Board, and is the official liaison with standard-setters in Japan.

### Electronic Journal Article Contribution

Reminder to all publications representatives that articles for the second issue of the E-Journal is due in mid-July.

### ASAF 2001 Directory Update

The PDF version of the 2001 Directory was distributed to members in late May. Printing of the hard copy is in progress, distribution to members expected mid-July.

# Members' Regional News

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## Australia — SIA Survey of Analysts on Accounting Issues Affecting Financial reporting

For many years the SIA has represented analysts on accounting and other issues affecting financial reporting and market analysis. To ensure the Institute continues to address the issues of greatest concern to analysts, late last year the SIA surveyed almost 200 stockbrokers and fund managers on how accounting issues affect financial reporting by Australian companies.

The survey sought analysts' views on a range of accounting issues affecting financial reporting including: Ranking of financial reporting issues, Goodwill, Identifiable intangibles, Research and development, New economy stocks, Financial instruments, Usefulness and quality of some key financial reports. **A full text of this article will be published in ASAF's second issue of E-Journal in August 2001.**

## Japan — SAAJ Investment Performance Standards

**SAAJ Investment Performance Standards (SAAJ-IPS®**, June 1999), which incorporate Global Investment Performance Standards (GIPSTM, April 1999) as core standards, provide a set of guiding ethical standards for promoting fair representation and full disclosure for investment management firms in their presentation of performance results to clients and prospective clients. The results of the December 2000 survey on SAAJ-IPS compliance by Daiwa Institute of Research show that SAAJ-IPS is penetrating the investment community in Japan. Namely, of 76 firms which replied (the aggregate assets of corporate pension funds managed by these 76 firms totalled Y73 trillion, 96% of total corporate pension assets in Japan), 20 firms already claim compliance with SAAJ-IPS, some 37 firms (49%), including the 20 compliant firms, plan to comply by the end of March 2001, and a total 52 firms (68%) are expected to be in compliance by the end of September 2001.

In order to more effectively correspond to the activities of the Investment Performance Council (IPC), established in 2000 under the AIMR as an international organization for promoting and improving GIPS, the SAAJ-IPS Committee (originally set up in 1995 to produce the standards) was reorganized and two subcommittees, Interpretations and Verification, established in early 2001. Some SAAJ-IPS Committee members participate in the IPC and its subcommittees.

## PR China — the SAAC preparing for new challenges

As ASAF's newest Full member, the SAAC is busy organising and positioning itself to meet the new challenges ahead. These areas include all aspects of ethics and standard-setting, education and training, professional development, market familiarisation and the list goes on.

A series of initiatives and reciprocal visits and seminars have been planned, including an investment seminar in Shanghai in July which will see expert speakers from ASAF member countries and other regions being invited to speak.

The SAAC has also been admitted into ASAF's Education Committee as part of its initial familiarization program.

## PR China — Introducing the SAAC's President Dr Lin Yixiang



*Dr Lin Yixiang*

The SAAC appointed Dr Lin Yixiang as its first President in July 2000. Dr Lin graduated from Beijing University in Economics, with a Ph.D in Economics from University Paris X, majoring in macro-economy. Dr Lin's career spans eleven years, including nearly five years in securities investment and analysis at the Dept of stocks of Caisse des Depots et Consignations, Paris; deputy director of Dept of Information

Analysis and head of the monitor system of securities trading of the China Securities Regulatory Commission; vice-president of China securities Co. Ltd; Chairman and CEO of TX Investment Consulting Co. Ltd.

His outstanding academic service includes professorship with the Peking University, People's University, Post-graduate School of China People's Bank and Beijing University of Industry and Commerce. Dr Lin also served as expert member/consultant of the drafting group of the Securities Law and the Law of Investment Funds.

## Calendar

**27 – 28 June 2001**  
ACIIA® AGM/Council meeting  
Zurich, Switzerland

**30 November 2001**  
ACIIA® Council meeting  
Hong Kong

**1 – 5 December 2001**  
ASAF Annual Conference/  
AGM/Committee meetings,  
Hong Kong



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