

PRESS STATEMENT

ASIFMA WELCOMES FSDC RECOMMENDATIONS ON WARRANTS

Hong Kong, 18 April 2017 – ASIFMA, the financial industry's leading regional trade association, today welcomes the Financial Services Development Council's (FSDC) recommendations made in its latest report entitled "[Optimising Hong Kong's Listed Structured Products Market](#)".

The report recommends a number of steps that would help propel Hong Kong's listed warrants market to forefront of global listed structured products markets not just in trading volume but in product diversity and responsiveness to investor needs and preferences. The report's recommendations cover steps to promoting an environment which encourages product innovations for issuers on the HKEX, such as a clear framework for new product approvals along with a timeframe, improvements in the overall efficiency of the listing process, and reduction in listing fees for new products.

"This FSDC report contains excellent suggestions for creating an environment for listed structured products that is welcoming of innovation," said Nicholas Ronalds, Managing Director and Head of Equities at ASIFMA. "These recommendations, if adopted, will enable issuers to develop and list new products more quickly based on market conditions and investor demand. At present the Hong Kong market for structured products lags markets in Europe and elsewhere in Asia along the dimension of product diversity. ASIFMA would like to see the Hong Kong warrants market rank among the top tier of global listed structured products markets not just in volume but in responsiveness to investor demand. We look forward to working with the exchange, regulators and issuers to bring these and the report's other recommendations to fruition. This is an opportunity for Hong Kong as a global financial centre."

Mr. Ronalds further added: "The current listed structured products offering on HKEX is limited to warrants and CBCs, which are short-term trading type products. We believe that investment type products which offer a different product risk profile are currently a missing piece of the Hong Kong listed structured products market."

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