



PRESS RELEASE

Buy and Sell-side Co-operation Results in New Industry Guidelines for IOIs

Regional Charter Provides Transparency and Consistency for All Market Participants

Hong Kong, 6 November 2020 – A collective of industry associations including [ASIFMA](#), [Quorum 15](#), [Asia TraderForum](#) and the [FIX Trading Community](#) have together launched [The Asia Pacific IOI Charter](#) (“the Charter”). The Charter provides guidance for all market participants who issue Indications of Interest (IOIs) and the recipients that react to them on a bilateral basis. An IOI is a conditional, non-binding interest in buying a security that is currently in registration. This initiative is the result of extensive cross-industry cooperation between buy-side and sell-side participants via their respective industry associations.

The Charter has been created to provide transparency and consistency of approach across participants for trading throughout the APAC region, building on internationally recognised standards.¹

This Charter is open to all market participants and is designed as a working document to address practical challenges faced by them in the Asia Pacific markets. The industry organisations involved above may periodically engage with stakeholders to determine whether further clarifications are required.

The Charter is supported by a due diligence questionnaire, designed to support dialogue between buy and sell side firms and bring clarity to IOI definitions and practices. These documents can be found on the [ASIFMA website](#), along with the list of firms who agree in principle with the content of the Charter and are working to implement and align their procedures, behaviours, and internal policies with the Charter by the end of 2020.

Lyndon Chao, Managing Director – Head of Equities and Post Trade, ASIFMA said: “It has been truly inspiring to see the level of engagement from senior leaders across the industry to set aside otherwise competing interests for the sake of their clients and the collective interests of the industry. This experience excites me with great confidence as we continue to work together to improve the capital markets in Asia.”

Lewis Knox, Executive Director of Asia TraderForum, said: “The IOI Charter is just the latest example of the great collaborative work achieved by the members of Asia TraderForum. For 10 years, our buy-side

¹ [The 2017 AFME/IA Framework for IOIs](#), the [2016 Asia Trader Forum IOI Code of Conduct and Best Practice Memorandum](#) and the [2018](#) and [2019](#) Circulars released by the Hong Kong Securities and Futures Commission around the implementation of IOIs.

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members, who manage hundreds of billions of dollars invested in Asian equities on behalf of savers and pension plan beneficiaries around the world, have worked together to increase liquidity and minimize transaction costs for their clients' portfolios."

Ed Mangles, The FIX Trading Community's Asia Pacific Regional Director, added: "The IOI Charter initiative is a great demonstration of the industry voluntarily working together to raise standards of efficiency, integrity, and robustness of institutional trading in our region. It also helps highlight to all industry participants, including buy-side, sell-side and regulators, the importance of collaborative initiatives such as the IOI Charter and what can be achieved by the industry, for the industry."

Mike Burton, CEO & Founder, Quorum 15, concluded: "The APAC IOI Charter is a perfect example of how the industry proactively came together in a collegial and collaborative manner. I am extremely grateful for the hard work and spirit of cooperation by the many individuals whose contributions made this Charter possible."

Disclaimer:

None of the industry organisations makes any representation or warranty, expressed or implied, in relation to the Charter, including without limitation as to its suitability, completeness or fitness for purpose. Under no circumstances shall any of the industry organisations be liable for any loss or damage, whether direct or indirect, arising out of or in connection with the use of this Charter.

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The Asia Pacific IOI Charter can be found [here](#).

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About ASIFMA

[ASIFMA](#) is an independent, regional trade association with over 130 member firms comprising a diverse range of leading financial institutions from both the buy and sell side, including banks, asset managers, law firms and market infrastructure service providers. Together, we harness the shared interests of the financial industry to promote the development of liquid, deep and broad capital markets in Asia. ASIFMA advocates stable, innovative, and competitive Asian capital markets that are necessary to support the region's economic growth. We drive consensus, advocate solutions and effect change around key issues through the collective strength and clarity of one industry voice. Our many initiatives include consultations with regulators and exchanges, development of uniform industry standards, advocacy for enhanced markets through policy papers, and lowering the cost of doing business in the region. Through the [GFMA](#) alliance with [SIFMA](#) in the United States and [AFME](#) in Europe, ASIFMA also provides insights on global best practices and standards to benefit the region.

More information about ASIFMA can be found at: www.asifma.org.

About Asia TraderForum

Founded in 2011, [Asia TraderForum](#) is a membership group for buy-side equity traders in the Asia Pacific region. Managed by Institutional Investor, Asia TraderForum grants members opportunities to interact with peers and leaders at Asia Pacific's foremost investment management firms. Through regular meetings and private discussions, buy-side traders can freely discuss issues of common concern and express their views. As the voice of the buy-side, Asia TraderForum constantly engages with brokers, regulators, exchanges and other market participants on behalf of the group as a whole.

About FIX Trading Community

[FIX Trading Community](#)[™] is the non-profit, industry-driven standards body at the heart of global trading, with over [260 member firms](#), including pension funds, asset managers, brokers, exchanges, technology providers and regulators. The organisation is independent and neutral, dedicated to addressing real business and regulatory issues impacting multi-asset trading in global markets through standardisation, delivering operational efficiency, increased transparency, and reduced costs and risks for all market participants. Central to FIX Trading Community's work is the continuous development and promotion of the [FIX family of standards](#), including the core [FIX Protocol](#) messaging language, which has revolutionised the trading environment and has successfully become the way the world trades.

About Quorum 15

Since 2008, Quorum 15 has brought together senior executives from across the buy and sell-side to build consensus and drive change in global financial markets. Our 240 members from 70 leading firms meet across four continents in a series of agenda-driven 'quorums', that foster dialogue, build mutual understanding and identify common opportunities and challenges. We work with and support regulators, government authorities and industry associations in the promotion of fair, efficient and well-functioning financial markets. More information can be found at www.quorum15.com or contact info@quorum15.com.