

## QUESTIONS AND ANSWERS ON CONTINUOUS ALL-DAY TRADING

### 1. *What is continuous all-day trading?*

This means that in addition to existing trading hours, you will be able to trade in SGX securities during 1230 to 1400 hours from 1 August 2011. SGX-ST will be opened from 0900 to 1705 hours every trading day.

### 2. *What's in it for me?*

The additional opening hours will enhance your trading opportunities since you can also trade during 1230 to 1400 hours in addition to the existing trading hours. Moreover, SGX trading hours will overlap with those of other Asian exchanges. If you trade pan-Asian securities, this will provide you with greater convenience by allowing you to respond to news flow in the home markets and other Asian markets.

### 3. *What should I expect?*

You should speak with your dealer or remisier whether he/she expects to regularly be at the desk during 1230 to 1400 hours, and how he/she expects to service you when off-premises. As you know, your dealer or remisier could be out for lunch break, attend training, take care of business administrative matters or do something else during 1230 to 1400 hours.

To facilitate seamless trading for investors like you, broking houses have put in place arrangements to handle customer orders during 1230 to 1400 hours. We understand such trading arrangements to include some or all of the following:

- the use of central dealing desks, where your dealer or remisier may channel your orders to these central dealers (who are licensed), for order execution;
- the appointment of a back-up dealer or remisier to handle your orders when your dealer or remisier is away from the office;
- the use of mobile technology or hand-held equipment to perform order execution if your dealer or remisier is working outside of the company's office.

You can also expect to receive a one-off request from your dealer or remisier to confirm that you are aware of how you will be serviced during the period from 1230 to 1400 hours.

### 4. *Do all Members of SGX-ST offer the same trading arrangements during 1230 to 1400 hours?*

Members have their own specific arrangements. Generally, central dealing desks and back-up dealer or remisier arrangements are offered by all Members.

5. *What is the effect of the additional trading hours on my portfolio of SGX assets?*

The value of your portfolio of assets traded on SGX-ST could change during 1230 to 1400 hours, just as it could whenever SGX-ST is open. If the price of the shares you hold falls, the value of your portfolio will fall accordingly.

6. *Are prices likely to move much during 1230 to 1400 hours?*

Prices move up or down in response to demand and supply. Buy and sell orders may be entered into SGX-ST in response to economic and business news, forecasts, portfolio adjustments, and other factors. For example, if there is release of news that may be considered significant during 1230 to 1400 hours, prices could move on SGX-ST. Similarly, trading decisions carried out by investors or traders could also move prices.

7. *Will the market be less liquid during 1230 to 1400 hours than at other times of the trading day?*

Market liquidity depends on various factors including the volume of orders coming into the market and number of active participants. It is possible that there will be fewer participants and less orders especially while people become accustomed to the new trading period and test market conditions. The situation is dynamic and you should monitor developments in the market.

8. *Will service quality from remisiers and brokers be lower during 1230 to 1400 hours?*

There may well be increased latency/delay in order execution, order management and response to enquiries, if your dealer or remisier is not at his/her desk. Your orders and enquiries may be relayed to a central dealer or back-up dealer or remisier who is in the office. Delays or limitations could also occur if your dealer or remisier use mobile technology or hand-held equipment. This may affect the price and quantity of any orders executed during this period.

It is important that you agree with your broker or remisier how you are serviced when he/she is away from the desk. You will then know what to expect and can decide whether or not you wish to transact in the market.

9. *How do I know what is happening to my orders during 1230 to 1400 hours?*

We encourage you to closely monitor the status of your orders entered in the trading system. If you have any resting, unmatched orders queuing in the trading system that may be carried through the period from 1230 to 1400 hours, you should be aware they may be matched. You may wish to monitor the price movements in the market or provide specific instructions to your dealer or remisier on the treatment of these orders.

*10. Which trading alternative or arrangement is appropriate for me?*

You should carefully assess the various trading alternatives and arrangements your broker offers you and decide which one suits your trading needs after weighing the pros and cons of each alternative.

If you are uncertain about what each alternative mean to you or your preferred mode of trading, you should discuss this matter with your dealer or remisier.

*11. Do I have any other alternatives?*

If you decide that none of the trading arrangements mentioned above in Question 3 suits you, an alternative is transacting on-line through an internet trading account where you enter orders directly into your broker's trading system. You could also refrain from trading during 1230 to 1400 hours until you are sure of what you want.

*12. Where can I obtain more information about continuous all-day trading?*

You can go to SGX's website at [www.sgx.com](http://www.sgx.com), Members' websites will also carry information on continuous all-day trading in the coming week and by next Wednesday, 6 July 2011. There will also be information carried on SIAS website at [www.sias.org.sg](http://www.sias.org.sg).