

30 June 2011

SGX INTRODUCES CONTINUOUS ALL-DAY TRADING (CAT)

Singapore Exchange (SGX) will be introducing continuous all-day trading for the securities market on 1 August 2011. This will allow you to trade on SGX during 'lunch period', between 12.30pm and 2.00pm. SGX trading hours will overlap with those of other Asian exchanges, allowing investors in pan-Asian securities to respond to news flow in the home markets and provide them greater convenience.

When trading between 12.30pm and 2.00pm, you should be aware that your Trading Representative (TR) i.e. your dealer or remisier, may be away from the desk and news screens.

When TRs are away from the desk, Member firms (brokerage firms) will apply their existing arrangements, as follows:

- the use of central dealing desks, where the TRs may channel customers' (your) orders to these central dealers (who are also licensed TRs) for order execution;
- the appointment of a back-up TR to handle customers' (your) orders when your primary TR is away from the office;
- the use of mobile technology or hand-held equipment by the TR to execute customers' (your) orders while he/she is outside the Member's office premises.

Please note that when CAT starts, demand and supply conditions in the market could be less favourable between 12.30pm and 2.00pm than the rest of the trading day. For instance, market volume may be lower as market participants may be unfamiliar with the new hours. This may affect the price and quantity of orders which can be executed during this period.

The level of service from your TRs may also be affected. Relaying your order to the market may take a little longer than usual and response to your questions may be less timely. Investors are encouraged to discuss order execution and management with their TRs.

Investors using the on-line internet trading platform and who occasionally rely on TRs to amend or withdraw their orders should also discuss order execution and management with their TRs.

With CAT, any resting, unmatched orders queuing in the trading system may be matched throughout the day including during the period between 12.30pm to and 2.00pm as the market absorbs news, orders and developments. You are reminded to monitor the status of orders given to your TR and the developments of the market all day, including the period from 12.30pm to 2.00pm.

You can also expect to receive a one-off request from your TR to confirm that you are aware of how you will be serviced during the period between 12.30pm to 2.00pm.

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Please consider carefully how you will like to be serviced by your Member and TR, especially during the 12.30pm to 2.00pm period. If you do not wish to use any of the three arrangements stated earlier during this period, there are other modes of trading available such as on-line internet trading where you can enter orders directly into Members' trading systems.

If you are uncertain about the options available to you or your preferred mode of trading, please speak to your Member and TR. Please visit SGX's website at www.sgx.com for more information on continuous all-day trading and arrangements for order execution. Members' websites will also carry these information in the coming week and by next Wednesday, 6 July 2011. There will also be information on continuous all-day trading carried on SIAS website at www.sias.org.sg.

To further help you understand CAT and its implications, we have prepared a Question and Answer sheet.