



ASIC

Australian Securities & Investments Commission

Transcript of ASIC Market Integrity Report video

CATHIE ARMOUR – Commissioner

Market integrity affects almost every aspect of our lives.

Over 36% of adult Australians own shares or other listed investments directly or indirectly. That's six and a half million of us!

As the markets regulator, ASIC's core priority is to promote investor confidence through fair, orderly and transparent markets.

We'd like to tell you what we've done so far this year and our priorities for the rest of 2015.

GREG YANCO – Market and Participant Supervision

ASIC is innovating and investing in technologies that help us to identify complex behaviour patterns.

Our newly developed Consolidated Trading Tool creates an instant snapshot of any security or trading account.

We're sending out fewer – but more targeted – notices to participants. These are quicker to respond to, which eases the regulatory burden.

In June, we built a new portal, designed to help participants interact with us more easily and efficiently.

CHRIS SAVUNDRA – Markets Enforcement

ASIC vigorously investigates and prosecutes market misconduct.

In the first half of this year, there were 11 significant enforcement outcomes relating to market misconduct. These include four convictions for insider trading.

One of those was particularly important – the jailing of Lukas Kamay and Christopher Hill for their roles in Australia's largest insider trading case, which involved trading on sensitive information from the Australian Bureau of Statistics.

This matter resulted from a joint investigation by ASIC and the Australian Federal Police.

The case sends a clear message to anyone thinking of engaging in this type of criminal activity, that it will not be tolerated, and that we have ability to monitor suspects and take action.

We're also working proactively to improve the behaviour of market intermediaries, but when we see misconduct, we will act decisively.

OLIVER HARVEY – Financial Markets Infrastructure

ASIC is continuing to monitor market trends to ensure our responses are appropriate, timely and effective.

For example, we're reviewing how dark liquidity and dark trading venues are evolving, both in Australia and overseas.

We're also reviewing high-frequency trading, to assess whether things have changed since our 2012 review, and to examine its role in the futures market.

We'll be publishing the results later this year.

CHRIS VAN HOMRIGH – Investment Banks

At the moment, we're focusing on three key areas: cyber resilience, confidential information and conduct risk. These are important issues for market intermediaries.

ASIC has been actively engaging with industry to increase awareness of the potential consequences of these issues. We're closely monitoring how industry responds.

CATHIE ARMOUR

It's been five years since ASIC took on responsibility for front line market supervision. During this time the market landscape has changed dramatically.

The scope of our responsibilities has increased, but our fundamental goal has not – everything we do is to ensure fair and efficient markets.