



MEDIA RELEASE

ASIC Automated Trading Consultation

13 August 2012

ASIC has today released Consultation Paper 184 which deals with automated trading.

Automated trading is the evolution of broking and trading practices using computer technology. In order for Australia's markets to maintain relevance and compatibility with international markets it is essential that the local markets keep pace with the latest developments.

While automated trading is a natural evolution of the market that drives efficiencies for investors and the industry, it is important that risks that accompany it are managed prudently.

The industry supports ASIC's initiatives in relation to automated trading contained in the Consultation Paper, which strikes the right balance between ensuring that any risks to the market are managed effectively while avoiding being unnecessarily prescriptive.

ASIC has worked with the industry to put together a framework that will help ensure all participants achieve the quality standards and controls that are required to maintain market integrity as technological innovation continues.

AFMA looks forward to continuing to work with ASIC in its response to Consultation Paper 184 to optimise the guidance and rules.

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Notes for Editors:

The Australian Financial Markets Association (AFMA) is the leading industry association promoting efficiency, integrity and professionalism in Australia's financial markets and provides leadership in advancing the interests of all market participants. These markets are an integral feature of the economy and perform the vital function of facilitating the efficient use of capital and management of risk. Market participants perform a range of important roles within these markets, including financial intermediation and market making.

AFMA represents over 130 members, including Australian and international banks, leading brokers, securities companies, state government treasury corporations, fund managers, traders in electricity and other specialised markets and industry service providers.