**MEETING MINUTES**

**FORUM:** SMPG SG

**DATE AND TIME:** 8 AUGUST 2012, 4PM

**LOCATION:** **SCB Office MBFC Tower 1, 8 Marina Boulevard - Level 10 Dunsan room**

**ATTENDEES:**

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| **NAME** | **ORGANISATION** |
| Siraz Mouhamadmoussa | BNP Securities Services |
| Gan Lai Chun | Citibank |
| Herman Wan | DBS |
| Judy Yang | DBS |
| Christina Ang | Deutsche Bank |
| Eu Wai Ling | Deutsche Bank |
| Gopu Maniam | HSBC |
| Dileep Venkatakrishnan | HSBC |
| Daisy Lam | HSBC |
| Janice Ow | OCBC Bank |
| Anand Adipudi | SGX |
| Jessie Toh | SGX |
| Anthony Sim | Standard Chartered Bank |
| Florence Fung | Standard Chartered Bank |
| Lilian Soong | Standard Chartered Bank |
| Garry Chan | Standard Chartered Bank |
| Grace Tan | UOB |
| Tan Hui Fong | UBS AG |
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| **AGENDA** |
| A.    Current affairs  1.    SGX – share progress on RMB listing, clearing ability and process; other developments relevant to DA and brokers  2.   Communication – DA alert pack, extension of PSMS system  3. CAS Post Trade System Mainframe Migration Phase II  a.    Introduction of Clearing and Settlement API for SGX-ST Members where CAS becomes optional  b.    Is target 3Q 2013 first mentioned in 2011 still on track?  c. Clarity required for market participants to take this into consideration in budget planning for next year  4. Contingency Plan for SFTP Folder Outage  a. Alternate options to SGX’s usage of CD ROMs as fallback plan  5. E-Statements for DAs  B.    Growth/Longer term  1.    Formation of sub-committees and agreement of team lead(s) for the 3 pillars [Advocacy Engagement, Market Practices (Transactional) and Communication]  2.    Update of Regional APAC SMPG  C.    Others  1.   CPSS-IOSCO principle on securities margining  2. AOB as raised by members |
| **MINUTES** |
| Discussions on Agenda Items   1. Current Affairs   1. RMB Listing Readiness  Jessie updated that all systems are ready to go once the issuer expresses interest. Target launch is Oct 2012 (Note :Post-SMPG meeting, the first announced RMB IPO, Dynasty REITS, has since been pulled from listing due to poor market conditions.) Focus is on mainframe.  2. SGX Post-trade System Mainframe Migration Phase II  Lilian enquired on the date for Phase 2 as to facilitate budgeting by market participants for internal system enhancements for 2013. Jessie replied that Q3 will be a challenge. Specifications will be released by early next year. Anand will give an indication whether the new application will be implemented next year by Sep 2012. All members may ask their IT to contact Anand for further enquiries.  3. Communication – DA Alert Pack  Anthony gave feedback that some information are not broadcast to the DAs. He enquired how SGX can expand announcements and be non-reactive. Jessie will share how SGX broadcasts to the DAs. SGX to be more proactive to alert and to respond. There should be transparency ie.system extension (response time by SGX) as the DAs need to update their clients.  4. Other SGX Projects  SGX updated all on their work on a corporate bond trading platform with no change to the back-end.  For the introduction of 2FA for SGX Prime, the tokens and PINs will be issued with target implementation in Dec 2012. A SGX briefing will be conducted.  Jessie updated that SGX will be seeking industry feedback on the rights issue trading period as the issuers are looking at shortening the trading timeframe.  5. Contingency Plan for SFTP Folder Outage  Participants with bank policies restricting access to external devices cannot access CD ROMs which is the SGX’s contingency mode of providing the data files and reports in the SFTP folder. The panel asked SGX if there are other modes of communication like email or secured internet access. All are to indicate their respective bank’s acceptable email file size to receive such notifications by email. What is the requirements like encryption or password protection? Jessie will circulate the document on contingency.  6. E-statements for DAs  Jessie updated that the timeline for this initiative is end of the year and that it is pending approval from the authorities. Hui Fang asked if the broker contracting statements will be sent directly to the brokers’ clients. Jessie to arrange for Shawn from CDP to give Hui Fang more information.   1. Growth/Longer Term 2. Formation of Sub-committees and Agreement of Team Lead(s) for the 3 pillars [Advocacy Engagement, Market Practices (Transactional) and Communication]   Anthony appealed for more nominations and representations from the Group with at least 10 nominations for different streams. The term of participation will last till 2013. SGX will be invited to join after the 3 sub-committees have been formed if so required.  2. Update on Regional APAC SMPG  Anthony gave an update on the recent Regional APAC SMPG which he attended. He will forward the minutes to all members. SWIFT has been appointed as the facilitator for this forum.  C.    Others  1.   CPSS-IOSCO Principles on Securities Margining  Jessie had updated all on this previously in June 2012. The target live date is 31 Dec 2012. Communications have been sent to the brokers with public consultation papers issued. The DAs are not impacted as this is for the Clearing Members. Jessie suggested the Clearing Members discuss this with their DAs. Jessie to speak to SGX Risk team to contact Lilian to close the gap in information between the DAs providing Account Operator (AO) services and the Clearing Members who they support. Gan enquired about the impact of using a Settlement Bank for the margins. Garry updated that there is a meeting with SGX to discuss this on 17 Aug 2012. Jessie clarified that the Clearing Members and SGX maintain accounts with the same Settlement Banks. SGX has no issue meeting the deadline of December 2012.  Any Other Business  1. Gan Lai Chun said that Boardroom has received a request from IRAS asking for the end-client beneficiary declarations and suggested a group response that it’s not possible. Hartini from SCB will forward the email to Anthony.  Action Tasks from the previous meeting  1. Alex from SWIFT to provide the link-up for the Group to the RMB workgroup in Hong Kong  2. Alex to send the details of the next RMB meeting in Hong Kong to the Group members  3. Pertaining to RMB/CNY currency, SGX has a write-up on what system is using which currency code. Kok Leong from SGX to share the list with the Group.  4. As part of information sharing on ABMF, Alex to send the list of countries and their respective market practices for bonds to the Group members  5. Kok Leong to revert with more information to update the Group on the current status of 1 outstanding item - File Upload  Action Tasks from the meeting  1. Requests to for more nominations and representations from the Group.  2. Jessie to share how SGX manages the broadcasts to the DAs. |