



MEDIA RELEASE

ASIC Market Structure Reforms

3 April 2012

AFMA agrees with and supports ASIC's stated determination to maintain the Australian market's international competitiveness, as outlined in today's direction statement on market reform.

ASIC has taken into account industry concerns about the necessity, impact and cost of the original proposals in Consultation Paper 168 by more tightly focussing several of the reforms. This is a welcome outcome that will maintain an efficient, innovative and fair market for investors.

ASIC's approach to dark liquidity is a step forward from the original proposal but it needs to be further refined to avoid unnecessarily constraining some crossing transactions. Any future regulatory intervention in this area should be only to address matters of demonstrated concern.

There are many components to the reform package and overall we think financial market participants will be pleased with the direction ASIC has set, including staged timing for implementation. The industry will continue to work with ASIC to help secure the outcomes targeted by these reforms.

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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.

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