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SGX to revise fees for securities market

Singapore Exchange (SGX) is revising the fee structure for its securities market to make trading more cost-efficient and to facilitate market making and improve liquidity in the market. The revisions to clearing and depository fees will be rolled out from 2 May 2014.

The change will encourage on-exchange trading, thereby enhancing liquidity, transparency and price discovery on the market.

The clearing fee will be reduced by one-fifth from 0.04% to 0.0325% of contract value. The cap of S\$600 on this fee for contracts of \$1.5 million, or more, will be removed.

Transfers and onward settlement fees, which are mainly levied on brokers and depository agents, will be revised to encourage on-exchange trades, thereby increasing transparency and liquidity, and consequently improving price discovery in the market. Transfers and onward settlements pursuant to on-exchange trades will be charged a fee of \$30 and transfers and settlements pursuant to off-exchange trades will be charged a fee of 0.015% of the value of the transaction, subject to a minimum of \$75.

SGX will also introduce incentive schemes to facilitate the participation of market makers and liquidity providers. To qualify for incentives, these participants will provide competitive two-way quotes, thereby making the process of orders being executed smoother and adding liquidity for the benefit of all investors.

“Our new pricing structure and incentive programme for market makers and liquidity providers are part of a package of initiatives to create a stronger securities market in Singapore. Investors coming to SGX will benefit from lower costs and in the longer run, better liquidity and market depth, all of which will make for a better investing experience in terms of cost and execution,” said Magnus Bocker, CEO of SGX.

Implementation of the fee revision is subject to industry readiness as technology changes in support of the rollout will be required. The implementation is also expected to be broadly revenue neutral to SGX.

More details can be found at this [link](#).

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About Singapore Exchange (SGX)

Singapore Exchange (SGX) is the Asian Gateway, connecting investors in search of Asian growth to corporate issuers in search of global capital. SGX represents the premier access point for managing Asian capital and investment exposure, and is Asia's most international exchange with more than 40% of companies listed on SGX originating outside of Singapore. SGX offers its clients the world's biggest offshore market for Asian equity index futures, centred on Asia's three largest economies – China, India and Japan.

In addition to offering a fully integrated value chain from trading and clearing, to settlement and depository services, SGX is also Asia's pioneering central clearing house. Headquartered in Asia's most globalised city, and centred within the AAA strength and stability of Singapore's island nation, SGX is a peerless Asian counterparty for the clearing of financial and commodity products.

For more information, please visit www.sgx.com

Media Contacts

Carolyn Lim
Marketing & Communications
Tel: (65) 6236 8139
Email: carolyn.lim@sgx.com

Loh Wei Ling
Marketing & Communications
Tel: (65) 6236 8157
Email: weiling.loh@sgx.com