



SGX proposes removal of iceberg order functionality to improve market transparency

Singapore Exchange ("SGX") is consulting the public on its proposal to remove the engine-level iceberg order functionality in the securities and derivatives markets.

The iceberg order functionality is utilised primarily by investors who trade large quantities. The functionality facilitates the execution of large orders in a manner that minimises adverse market impact by releasing the order gradually into the market. This allows only part of the order to be displayed and available for execution at any one time. The SGX engine-level iceberg order functionality is little used by the marketplace, as similar execution functionalities are offered in the order management systems of brokers and automated execution desks to execute block trades. As such, the continued provision and maintenance of iceberg order functionality bring little benefit to the marketplace and its removal is expected to have insignificant effect on the market. The removal of this order functionality will also enhance transparency in the opening and closing routines, as well as, in the calculation of the equilibrium price.

The consultation paper on the proposed removal of the engine-level iceberg order functionality is available on SGX's website www.sgx.com from today. Market participants and members of the public can send in their comments and suggestions on the proposal from today until 16 January 2012 via email and either by post/courier or fax to:

Email: rules@sgx.com

AND

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