



MEDIA RELEASE

MARKET SUPERVISION TRANSFER GO AHEAD

8 July 2010

AFMA has responded to the announcement today by Minister for Financial Services, Superannuation and Corporate Law, the Hon Chris Bowen MP that 1 August 2010 is the date for the transfer of supervisory responsibility for Australia's domestic licensed financial markets to the Australian Securities and Investments Commission. The change of responsibility assists in the further development of a competitive market environment in Australia.

The transfer will mark the end of the Australian Securities Exchange's successful period of supervision of Australia's equities and futures markets. While market supervision arrangements have worked well in the past, the transfer enables trading in Australian financial markets to evolve and keep pace with changing technology, global developments and client needs.

On the basis of the information available to us, AFMA agrees with the Minister's judgment that the necessary preparations for the transfer to take place have been made. AFMA has been closely involved in these preparations and considers the thorough consultation process engaged by the Government, ASIC and ASX with the industry is an important contributor to a smooth and efficient transfer process.

The Minister's announcement provides welcome certainty about the transfer date ahead of the federal election period.

AFMA looks forward to continuing to work closely with the Government and ASIC to build upon the strong foundations that have so far been put in place as we move to address the many issues that surround the introduction of competition. It is our common goal to make sure that the developing market infrastructure system is cohesive, operationally practical, protects market integrity and promotes efficiency to the benefit of market users.

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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.