

SFC Suspends and Fines Chin Man Chung for Market Manipulation

20 Aug 2007

The SFC has suspended Mr Chin Man Chung for 18 months from 16 August 2007 to 15 February 2009 and fined him \$71,500 (Note 1), being the amount of profit he made due to his misconduct.

An SFC investigation found that Chin:

- manipulated the price of two derivative warrants on three occasions in July and August 2006, ramping the warrant price by 5% and 23% respectively above the prevailing market prices; and
- conducted this trading through his father's discretionary account and he concealed this from his employer.

In determining the penalty, the SFC has considered Chin's clean disciplinary record and his co-operative attitude during the investigation.

Mr Mark Steward, SFC's Executive Director of Enforcement, said: "This decision shows that we will use our disciplinary powers to suspend and fine in combination when it is appropriate to do so to protect the market and deter copy cats."

Ends

Notes:

1. Chin was licensed under the Securities and Futures Ordinance to carry on Type 1 (dealing in securities) and Type 2 (dealing in futures contracts) regulated activities. He was accredited to Phillip Securities (Hong Kong) Limited and Phillip Commodities (Hong Kong) Limited. He has subsequently resigned.