

SFC prohibits Wong Hong Wah from re-entering the industry

25 Feb 2009

The Securities and Futures Commission (SFC) has prohibited Mr Wong Hong Wah, formerly a licensed representative of SBI E2-Capital Securities Ltd and SBI E2-Capital Brokerage Ltd, from re-entering the industry for three years from 18 February 2009 to 17 February 2012 (Note 1).

The disciplinary action follows an SFC investigation into suspicious trading activities by Wong and a colleague (Note 2). The SFC found that over a period of three days they entered successive bid orders for stocks which they then cancelled before they could be matched by the Stock Exchange of Hong Kong's automated trading system.

The SFC also noticed that the cancellations followed sales by Wong and his colleague at marginally higher prices. The SFC formed the view that the bid orders may not have been genuine. The SFC concluded that Wong and his colleague had breached the SFC Code of Conduct in carrying out trading activities contrary to the best interests of market integrity (Note 3).

End

Notes:

1. Wong was licensed under the Securities and Futures Ordinance to carry on Type 1 (dealing in securities) regulated activities and was accredited to SBI E2-Capital Securities Ltd and SBI E2-Capital Brokerage Ltd (currently known as SBI E2-Capital Financial Services Ltd) until 3 April 2008. He is no longer accredited to any licensed corporation.
2. Wong's colleague has lodged an application with the Securities and Futures Appeals Tribunal for a review of our decision against him. The result of our disciplinary action against him will be publicised after the Tribunal has delivered a determination of his application.
3. The law and the SFC's Code of Conduct requires the market for shares to be free from illegal interference and manipulation which means, in practice, that bid and ask orders must be genuine ones reflecting the forces of supply and demand. Under General Principle 1 and 2 of the SFC Code of Conduct, a licensed or registered persons should act honestly, fairly and with due skill care and diligence in the best interests of clients and the integrity of the market.

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