



The newest ACIIA member: Finland (FSFA)

The Finnish Society of Financial Analysts has recently become the newest member of the ACIIA.

Established in 1989, the FSFA's principle aim is to foster the general knowledge and esteem of the financial analyst profession, the conditions of investment research within the securities markets and the improvement of the information for investors, and to promote the credibility and efficiency of securities markets. Their main activities involve organising the CEFA/CIIA training in Finland, arranging seminars and events for the members and giving statements on matters relating to investment research and se-

curities markets for legislative and regulatory purposes, e.g., for the Financial Supervision in Finland. FSFA currently has 241 members.

International knowledge

Scandinavia, which Finland is part of, is a very well functioning market, yet too small to exist without international investors. International business has increased markedly over the past 20 years, making Finnish companies, such as Nokia, known to international investors. This means that each bank and brokerage firm that is active in Finland must make research services available to the international arena. Doing research must therefore be based on in-

ternational standards, and have at least the same quality as is offered over the world. Additionally, there are fast growing new investor markets in Asia and Middle East, which the Finnish banks are also targeting. By having internationally chartered financial analysts, who have the highest quality qualifications, this will help the Finnish employers prosper in the new and existing markets.

CIIA training

FSFA is currently working with a university partner in organising the training. The training course is labelled as CEFA/CIIA, and it enables the candidate to train for both CEFA and CIIA. The course begins each year in Sep-

CONTENTS

- 1 The newest ACIIA member: Finland (FSFA)
- 2 The beautiful city of Paris hosts the ACIIA Annual General Meeting
- 3 Hong Kong Securities Institute Opens Representative Office in Shenzhen
- 5 Preferential treatment to Japanese CMA/CIIA holders at an MBA school
After eight years as EFFAS Chairman Fritz H. Rau passed the baton over to Giampaolo Trasi
- 6 ACIIA Inside – New Faces
A fond farewell
EFFAS Summer School 2008
- 7 Korean Tax Accountant Obtains CIIA Diploma
- 8 SAC China published Reading Guidance
Indian Seminars on Equity Markets
- 9 ALGAFI Luxembourg Annual General Meeting 2008
- 10 Agenda

The newest ACIIA member: Finland (FSFA)

tember and ends in May. It is organised in modules, which cover the CIIA topics and literature. Modules are carried out as classroom lectures and exercises in the evening after work, plus a couple of weekend intensive courses. These are supplemented by self study and followed by module examinations at the end of each module. Prior to the CIIA final exams, two

preparatory intensive courses will be organised, focusing on issues particularly related to the exams. It is envisaged that the first candidates will sit the spring 2009 examinations. When starting the course he/she will have a university (Masters) degree and 2 years work experience as a financial analyst, equity analyst, corporate finance analyst, portfolio/fund manager or similar. For the CIIA diploma, at least 3 years work experience is required.

Future of CIIA in Finland

The CEFA training is very well established and respected in Finland and it is hoped that in time the CIIA will become the number one designation to strive for due to its international prestige. The 300 strong CEFA diploma holders will form the natural core target market for the CIIA. In addition, depending on definition, there are between 1000 – 1500 finance professionals in Finland as well as 60-100 university students majoring in



FSFA Chairman Matti Riikonen

Finance each year, and a majority of these will potentially become eligible for the CIIA.

The beautiful city of Paris hosts the ACIIA Annual General Meeting



The beautiful and vibrant city of Paris was the venue for the ACIIA Council Meeting and Annual General Meeting held in June and delegates from around the world attended the meetings held in the historical Palais Brongniart.

The Annual General Meeting held on June, 26th, 2008 elected Fritz H Rau, Chairman of the German DVFA and Deputy Chairman of ACIIA, as the new ACIIA Chairman. He succeeds Kiyoto Hagiwara, who served as ACIIA Chairman for the maximum 4-year term, and who remains on the ACIIA Council, acting as Deputy Chairman.

Fritz H Rau expressed his gratitude at being elected and said:

"I very much appreciate the continuing commitment of the SAAJ of Japan and the personal commitment of Mr. Hagiwara. Thus, ACIIA can rely on the essential services and support of SAAJ as well as on the team that functioned so well over the last few years, albeit in slightly different roles.

In the past a main focus of the ACIIA development has been to find local partner societies who would be able to spread the idea of the CIIA designation in their respective markets, i.e. the philosophy, the combination of a first class qualification on both a global and local basis, the undoubted integrity of CIIA holders and of the independence of the local societies to which they belong.

The ACIIA has achieved a great deal towards a full international representation of the CIIA. The coverage in Asia, Latin America and Europe – including Central and Eastern Europe – has been constantly improved. The ACIIA is now starting to develop a presence in Africa. The recognition of the designation by regulators in several parts of the world, especially the recognition by the UK regulator FSA in 2007 as a Key 2 qualification, gives not only a competitive advantage to the relevant professionals – it also extends the standing and value of the CIIA designation as a significant option in the global market by setting a personal qualification standard for investment professionals and will, I am confident,

lead to a filling of the gaps in the global CIIA map.

Well equipped for future progress, the focus of ACIIA should now naturally develop along the following lines: to convince investment professionals in the various ACIIA member society markets of the advantages of the designation. To achieve this objective the partner societies have to offer competitive qualification programmes and advertise these widely within the investment community. The ILPIP manuals already provide a good tool for the preparation of high quality courses and a distance learning platform is on its way. Also of high importance are member services offered to CIIA holders. These should in-

The beautiful city of Paris hosts the ACIIA Annual General Meeting

clude not only the local services but, in addition, the supranational offerings from ACIIA or ACIIA member societies. CIIA holders have to benefit from a global network.

The motto for the years to come, and the challenge for ACIIA, is to foster an increase of candi-

date numbers as the ultimate goal. To achieve this, ACIIA has to continue the further development of local partners, to improve the tools for the preparation of candidates and to develop a global network of CIIA holders. Cooperation and new ideas count. We must fulfil these objectives in order to continue further on the road to success".

During the meetings key discussion topics included ways to

promote the CIIA, enhancing the benefits to existing diploma holders and how to increase the number of candidates.

Delegates of the member associations actively discussed the new initiative for an ACIIA forum and the possibility of advertising in major financial publications. Gonzalo Milans del Bosch from IEAF Spain resigned from the ACIIA Council and will be replaced by Rafael Sarandeses

The hosts, Société Française des Analystes Financiers SFAF organised the events superbly and the meetings culminated in a gala dinner attended by over 80 people, ACIIA members and SFAF representatives alike, held in the elegant and attractive Cercle National des Armées.

The Annual General Meeting 2009 will be held in Vilnius on 25 June.



ACIIA delegates at the ACIIA AGM held in the Palais Brongniart



ACIIA delegates attending the GALA dinner held in the Cercle National des Armées

Hong Kong Securities Institute Opens Representative Office in Shenzhen

The Hong Kong Securities Institute opened Hui Bo Consulting Limited, its first representative office in the Mainland on 22 May 2008. Located in Shenzhen, the office is entrusted with promoting exchanges and cooperative ties between the local securities market and its Hong Kong counterpart.

The Chairman of HKSI, Dr Au King-lun, Chief Executive, Mr Gary Cheung and its prominent guests including Mr Zhang Yun-dong, Director General of Shenzhen Regulatory Bureau of China Securities Regulatory Commission; Mr Xiao Zhi-jia, Deputy Director General of the Office of Financial Development Service of the People's Government of Shenzhen Municipality; Mr Long Wu-hua, Director of Strategy & International Rela-

tions of Shenzhen Stock Exchange, attended the opening ceremony.

During the opening ceremony, HKSI Chairman Dr Au King-lun said, "The Institute is a professional organisation that is dedicated to serving securities professionals in Hong Kong. With

the implementation of the Closer Economic Partnership Arrangement ("CEPA") in January 2004, Hong Kong and the Mainland have both seen a significant increase in business opportunities, translating into strong demand for financial talents. And, as the Mainland financial market aligns with its international

counterparts, it will naturally require practitioners to be well-versed in the rules and regulations governing Hong Kong and international markets. Such vision is the impetus behind our decision to extend coverage of HKSI services to Shenzhen. Our presence in this important metropolis is representative of our commitment to aiding growth of the securities markets and facilitating communication between industry professionals from both sides of the border."

HKSI Chief Executive Mr Gary Cheung said that HKSI valued the opportunity to interact with our counterparts in the Mainland, which was why an array of activities and visits had been organised for Hong Kong and Mainland professionals over the past few years. The CEPA Forum



(from left) Mr Dannis Lee, Ms Alice Law, Ms Barbara Shiu, Mr Long Wu-hua, Mr Zhang Yun-dong, Mr Xiao Zhi-jia, Dr Au King-lun and Mr Gary Cheung

Hong Kong Securities Institute Opens Representative Office in Shenzhen

held in Beijing in April 2006, for example, attracted more than 100 delegates from renowned financial enterprises of Hong Kong and Mainland, and the HKSI delegation's visit to Shanghai in July 2007 paved the way for high-level collaboration between the two cities. In the future, the Shenzhen office will seek to actively expand the provision of HKSI service on the Mainland and strengthen training programmes and professional examinations for the country's financial service practitioners. By keeping close contact with China's financial sector, the office will also serve as an important conduit for Hong Kong professionals to gather market intelligence, thus effectively grasp opportunities as they arise.

The Board of HKSI celebrates the opening of Shenzhen representative office with Shenzhen government officials and exchange representative.

HKSI's Delegation to Kuala Lumpur

The lucrative Islamic business and promising opportunities continue to draw the attention of market practitioners. Exciting developments have been going on, not only in Dubai and Kuala Lumpur, but also in major regional and global markets. With its



Dato' Zarinah Anwar, Chairman of Securities Commission (left) and Dr. Au King-lun, HKSI Chairman

unique position, Hong Kong can play an active role to act as a conduit to channel the Islamic funds to the Mainland market.

To better prepare HKSI members and market practitioners for the growth potential, HKSI Chairman Dr Au King-lun led a 25-member delegation to Kuala Lumpur during 28–29 April to learn from HKSI counterparts in Malaysia.

During the two-day visit, HKSI delegates met with Dato' Zarinah Anwar, Chairman of Securities Commission, Dato' Yusli Mohamed Yusoff, Chief Executive Officer of Bursa Malaysia, Dato' Mohd Razif bin Abdul Kadir, Deputy Governor of Bank Negara Malaysia and other leading figures from different government and market institutions. The trip provided a perfect platform for practitioners and regulators from both markets to have direct dialogue and frank exchange of views.

HKSI Research: Grooming of Talents in the Financial Industry

The demand for talent in Hong Kong's financial industry is a perennial topic that needs us to look at from time to time.

The financial industry is, along with tourism, trade and logistics, one of the four pillar industries in Hong Kong. It contributed 15.9% of GDP in 2006 and has seen a healthy growth in its business receipts over the last two years.

What is particularly interesting to note is that in terms of value added per employed person, the financial industry contributes more than any of the other three pillars. This is a reflection not only of the importance of finance in a modern economy but also of the strong human capital embodied in the professionals working in the industry.

It is beyond doubt that Hong Kong is highly competitive as a global financial centre. However,



Dato' Yusli Mohamed Yusoff, Chief Executive Officer of Bursa Malaysia (front row middle) and the HKSI's delegation

er, it would be a mistake to rest on our laurels.

Last September, the Institute commissioned the Centre for Public Policy Studies of Lingnan University to conduct a market research on the manpower gap in the financial sector. Such a gap was identified in a 2005/2006 survey "HKSI Research: Corporate Hong Kong's Readiness for the Mainland Financial Markets" and the present study is a follow-up to further understand its nature and magnitude.

The demand for financial industry talents increased rapidly in 2007. Double-digit growth in employment is common among many financial institutions, but the corollary is that some firms have encountered great difficulty in recruiting enough suitable candidates for these jobs.

What makes things worse is that while most employers do offer training programmes for their staff, only a few major players regularly recruit fresh graduates and train them from scratch. Quite a number of our focus group interviewees said they preferred to hire only experienced staff. This could bode ill for the future.

The research report will be published in early July, and its findings are expected to facilitate the discussion among the indus-

try, academia and regulators. In this way Hong Kong will be able to maintain its strength as a prime regional hub for the financial industry.

Training for Business Support Roles

On 11 April 2008, a high level luncheon gathering was organised at The Hong Kong Bankers Club. About 30 senior representatives from regulatory authority, market institutions and leading firms gathered for updates on HKSI's recent training initiatives for local practitioners in business support or operation roles.

During the luncheon, UK's Securities and Investment Institute (SII) was invited to do a briefing on its flagship training program Investment Administration Qualification (IAQ) – an internationally recognised qualification which was launched in Hong Kong in collaboration with HKSI. The HKSI is dedicated to serve as a platform where individuals can gain the skills, and achieve the necessary professionalism and personal competence as they proceed towards further career advancement. In an effort to continue to serve the Hong Kong financial industry, the Institute take the lead and identify the Business Support (used to be known as middle and back office) as the area nowadays which urgently requires a

Hong Kong Securities Institute Opens Representative Office in Shenzhen

formal professional qualification program as training has traditionally been done on an apprenticeship basis.

The Institute introduced the SII IAQ program to Hong Kong in 2007 and provided a channel for local practitioners to pursue a

globally recognised qualification in business support. Earlier this year, the Institute launched its own structured training – “Certificate in Business Support Management”, and provided further assistance to local practitioners in meeting their immediate needs of training in operation specific to local regulatory environment. The two-pronged approach was well received by the market.



Senior practitioners from administration and operation field joined the luncheon gathering.

Preferential treatment to Japanese CMA/CIIA holders at an MBA school

Kyoto University announced last month that CMA® / CIIA® holders would be eligible for a preferential treatment with respect to its Graduate School of Management's MBA course. Though it normally takes at least two years to complete the course, CMA /CIIA holders will be allowed to complete it in one year and a half. Such treatment is also given to CPAs, successful candidates of the Exam for First-Class Civil Servants, and Certified Tax Accountants.

SAAJ Japan expands networks with universities

In the course of preparing CMA textbooks and exam questions,

not to mention SAAJ standing committees on ethics, accounting, etc., SAAJ naturally enjoys wide-ranging relationships with a host of university professors. Furthermore, jointly with the Nikkei, SAAJ has offered to endow a chair at Ritsumeikan University (extension course for finance and portfolio analysis) from the first semester of this year. A similar endowment will start at Aoyama University from the second semester of 2008.

In addition, CMA educational programs are gradually being introduced to undergraduate courses in the economics/finance faculties of Kwansai Gakuin University,

Musashi University, and Ritsumeikan University as part of course credits to complete (or an extension course). These universities also use SAAJ CMA correspondence textbooks. Such a proactive approach is anticipated to further spread among Japanese universities.

Trust bank requires employees to take a preliminary course to CMA Level I

In a bid to enhance the development of human resources, a certain Japanese trust bank now requires its staff to take SAAJ's preliminary course. As results, more than 700 employees of the bank have submitted applica-

tions for SAAJ's basic course, a preliminary course to Level I of the CMA, though not compulsory for the CMA designation.

Favorable news for CMA/CIIA holders living outside Japan

A lot of CMA/CIIA holders live outside Japan, and they have to incur additional postage to receive SAAJ materials such as the SAAJ Journal, etc. Because of this, some CMA/CIIA holders quit SAAJ membership on leaving Japan to live foreign country. In response, SAAJ started absorbing such expense from last March. Now, CMA/CIIA holders can equally receive SAAJ materials wherever they live.

After eight years as EFFAS Chairman Fritz H. Rau passed the baton over to Giampaolo Trasi

This year's EFFAS Annual General Meeting took place in Paris, as always in conjunction with the ACIIA Annual General Meeting, and was hosted by the French association SFAF. Along with the report on the 2007 business year, topics included discussions on future perspectives and strategies, particularly with regard to the EFFAS commissions and the new EFFAS Governance Model. Also this year the election of a new chairman took place.



The new EFFAS Chairman
Giampaolo Trasi

During the year, the EMC worked on the introduction of a new Governance Model for EFFAS which can be seen as a major instrument for the licensing of designations beside the CIIA designation. The aim is to broaden the basis for training and qualification in Europe and to offer investment professionals options which are tailor-made for their day-to-day business. This will increase the financial strength of the national member societies and foster

the visibility of EFFAS. The Governance Model was approved by the Annual General Meeting 2008.

Another point of strategic interest were the steps taken to support new professional societies in CEE countries in developing their activities and their training and qualification programmes in their respective countries. Field research conducted in four countries discovered no independent professional organisa-

After eight years as EFFAS Chairman Fritz H. Rau passed the baton over to Giampaolo Trasi

tions in place or active. The EFFAS EMC sees it as a duty to support and closely cooperate with these societies. Thus, the AGM 2008 also agreed to make available financial support for the emerging members. EFFAS hopes that in this way a successful development can be achieved, so that all societies can offer a qualification programme to attract members.

After eight years of chairing EFFAS, Fritz H. Rau handed the baton over to Giampaolo Trasi from Italy who has been unanimously elected as the new Chairman of the European Federation of the Financial Analysts Societies.



The former EFFAS Chairman Mr. Fritz H. Rau

Giampaolo Trasi believes that, over the next few years, commitments of the chairman and the Executive Management Committee should cover, among oth-

ers: continuing raising EFFAS' profile as a professional European body, to work on the development of European standards, further developing the

training and qualification programmes in the new established and emerging national member societies, coordinating and supporting the activities of the EFFAS societies and elaborate strategies to further strengthen them.

EFFAS is well placed to face the challenges of the future. The fact that EFFAS is so well positioned is a tribute to Fritz H. Rau, who chaired and enriched EFFAS in a very special way, moving forward, inspiring, eliminating risks, acting fairly and with the greatest effort.

Fritz H. Rau, the outgoing chairman, said that EFFAS has found a new chairman with great individual and professional motivation.

ACIIA Inside – New Faces A fond farewell

Since joining the team in April 2008, the new ACIIA Secretary Jennifa Ghazi has settled into her position well and has taken over a range of administration duties including enquiries, billing and payments and project assistance. Ms. Ghazi grew up in England and moved to Switzerland with her husband and two children eight years ago. She has worked in a variety of administrative positions and is also a talented artist exhibiting her paintings regularly in Zurich.



Jennifa Ghazi – ACIIA Secretary

ACIIA bids a fond farewell to Gonzalo Milans del Bosch who, after a full and varied career, has decided to retire.

Gonzalo Milans del Bosch has been consistent in his efforts and dedication to the ACIIA and his support of the CIIA diploma. A well respected member of the ACIIA Council his vision and enthusiasm will definitely be missed but the tremendous efforts he has made, in making the CIIA designation well renowned and the ACIIA a strong association of 30 members, will continue.



Gonzalo Milans del Bosch

We wish him a very happy and relaxing retirement, knowing that he will be available with his experience and his advice when we need him.

EFFAS Summer School 2008

Held in the Santander Financial City Madrid, on 9 July – 11 July 2008

Held over three days the EFFAS Summer School has been attended by over 150 participants. The main objective of the Summer School was to enhance the networking between existing EFFAS designation holders, esp. the CIIA Holders. In addition the

EFFAS Summer School offered CIIA candidates and other investment professionals workshops on various topics areas which make up the CIIA final examination, so that those who were involved in studying for the CIIA designation have had the opportunity to improve their knowledge and prepare themselves for the CIIA Final exams.

The EFFAS Summer School held in the excellent surroundings of the Ciudad Financiera provided by Banco Santander has enabled all participants to exchange ideas and gain valuable insights into financial market phenomena in a European context. This achievement corresponds very strongly with the objectives of EFFAS.

The event was opened by Santander represented by Mr. Matías Rodríguez-Inciarte, the 3rd vice president of Banco Santander and the newly elected EFFAS chairman Mr. Giampaolo Trasi and Mr. Jesús López Zaballos, chairman of the TQC and member of the I.E.A.F., the Spanish association, host of the event.

EFFAS Summer School 2008

The first day's presentations covered the important topics of rating and rating agencies and then moved on to discussing and analysing the causes and effects of the current credit crisis. The two key note speakers were Dr. Douglas Elespe from Argentina and Mr. Chris Golden, the EFFAS Bond Commission chairman.

On the second day of the summer school participants had the opportunity to learn important lessons and insights into the risks associated with the unanchoring of inflationary expectations, providing a comprehensive overview of recent development in global inflationary processes in the commodity markets. Professor Dr. Norbert Walter, Chief economist of Deutsche Bank, gave, as expected, an excellent presentation. In a further presentation on that



Delegates attending the EFFAS Summer school

days participants Mr. Antoine Pierre de Grammont, CIIA, Director of Financial Communications, AFFINE introduced the participants to an area of growing importance that is financial communication, particularly in crisis periods. The third and last day the participants had again a fantastic opportunity to listen to an extraordinary and stimulating

speech on "The impact of financial crisis on companies' finances delivered by Mr. Santiago Fernández Valbuena, CFO Telefonica. The closing session was addressed by senior executives, the Chairman of the Spanish Society IEAF, Mr. Xavier Adserà Gebelli and by Mr. Jose Antonio Álvarez, Head of Financial Division Banco Santander.

EFFAS Summer School generously supported by Banco Santander has been a great success fulfilling completely all of the ambitious objectives that were hoped to be achieved during these three days.

EFFAS is looking forward to the second EFFAS Summer School next year in this very special location.

Korean Tax Accountant Obtains CIIA Diploma

The Korea Certified Investment Analysts Association (KCIAA) announced the names of the six successful candidates who passed the examination to become a Certified International Investment Analyst (CIIA), which was administered in March 2008. Mr. Kun Ho Hwang, the Chairman of the KCIAA, met with the new CIIA-diploma holders at a ceremony to congratulate them for their outstanding performance and achievement. In recognition of the event, a group photo was taken with the KCIAA directors and the new CIIA holders.

One of the newly licensed CIIA was Mr. Sunghyo Jung, who is a graduate of the National Tax University in Korea, and is currently active in the field as a licensed tax accountant. Mr. Jung had previously acquired various qualifications in Korea

such as the Corporate Management Consultant, the Certified Financial Planner, the Insurance Claim Adjuster, and the Certified Investment Analyst. With the addition of a CIIA designation to that impressive list of qualifications, he will have an outstanding reputation to advance in his profession both at home and abroad.

Mr. Jung has hopes of becoming an investment professional in the future, should he have the opportunity to enter this new field of business.

Reflecting on his career as a tax accountant, he recalled that one of the most important and challenging areas he has dealt with was the valuation of non-listed equities, especially because it is related to the real estate holdings and net assets of corporations.

Thus, Mr. Jung sought to earn a qualification in the investment analyst category in order to improve his professional prospects as well as enhance his capacity to provide taxation consulting advisory services. In this respect, he feels greatly indebted to the KCIAA for giving him the tools to successfully pass the CIIA examinations despite his limited background in the industry and lack of familiar-

ity with the overall examination process. Mr. Jung is scheduled to write a regular column in Wealth Management, a business magazine in Korea. He expects that his unique background in the tax consulting business and his long-list of qualifications will help investors to increase their understanding of the various tax issues associated with their investments.

Prepared by the KCIAA



Mr. Kun Ho Hwang Chairman (centre) and Mr. Sunghyo Jung (second to the right of Mr. Hwang)

SAC China published Reading Guidance

on the "Rules on Supervision over Securities Companies" and the "Rules on Risk Disposal of Securities Companies" and held training program on the two rules

On April 23, the executive meeting of the State Council, presided over by Premier Wen Jiabao, adopted in principle upon discussion the "Rules on Supervision over Securities Companies (Draft)" and the "Rules on Risk Disposal of Securities Companies (Draft)", which were issued by the State Council as the Decree No.522 and No.523, respectively. On April 24, the CSRC held a special meeting to interpret the highlights of the two rules so as to work out details for the implementation of the two rules. CSRC Chairman Shang Fulin pointed out that the launch of the two rules, another major measure to build the capital market infrastructure, fully demonstrated the attention and support of the CPC Central Committee and the State Council to the capital market and the securities industry. All this plays significant roles in protecting the legal rights and

interests of the investors, maintaining the normal order of the securities market, strengthening the development foundation of the securities industry and promoting the sound and steady development of the capital market. The Securities Association of China published Reading Guidance on the two rules and held training program among securities companies in May and June respectively.

SAC published "Business Operation Rules on the Sales of Securities Investment Fund by Salespersons"

The Securities Association of China published "Business Operation Rules on the Sales of Securities Investment Fund by Salespersons" on April 28, 2008 which forbids salespersons to seek illegal profit for themselves or others in the process of fund selling. The regulation requires a salesperson to introduce himself or herself, show his identification or qualification certificate when he or she aims to recommend a fund to investors. In addition, he or she needs to obtain the permission of investors before he introduces the

fund. If investors are unwilling to accept such activities or it is inconvenient for them to do so, the salesperson should respect their choice.

CSRC allows securities firms to participate in the business of direct investment

Recently CSRC made further arrangement for securities firms to develop business of direct investment, which aims to expand the range of pilot companies and allows qualified securities firms to apply for direct investment business to CSRC. According to the requirement of CSRC, The pilot company should have a minimum of 2 billion RMB in net capital, sound internal control system and risk management regulation and strong competence in the underwriting business. The company is also required to have acted as a leading underwriter for at least 10 companies to issue stocks or convertible bonds, or the underwriting value should be no less than 15 billion RMB. CITIC Securities Company and CICC have already been approved to develop pilot business of direct investment by the way of establishing a subsidiary company.

Internal control regulation to be effective as of July 1, 2009

The Ministry of Finance, the China Securities Regulatory Commission, the National Audit Office, the China Banking Regulatory Commission and the China Insurance Regulatory Commission jointly issued internal control regulations which will be enforced from July next year, first among listed companies, and then be extended to other unlisted big and medium companies. According to the regulation, listed companies should conduct self-evaluation about its internal control, disclose annual evaluation report and employ qualified securities or futures agencies to audit the effectiveness of the control.

The timely promulgation of the regulation provides basic and authoritative guidance for the building of internal control system by listed companies. It will improve the corporate management level as well as the risk control capabilities of listed companies and promote the sustained and healthy development of capital market.

Indian Seminars on Equity Markets



A series of seminars in the area of Equity Markets were organized recently. Prominent speak-

ers from the industry spoke in these seminars. These seminars were organized for the benefit

of analysts, CIIA students and working executives to get an overview of the current trends in equity markets and related areas. These Seminars were held in various cities across India.

A seminar was held in Hyderabad on "Equity Investment in Volatile Markets". Mr Pranay Kumar (Sr Manager, Cygnus Business Consulting and Research) explained the volatility in the stock market and on how to benefit from investing in medium and long term prospects. He suggested systematic



Investment Plan with virtues like investment discipline and lower purchase cost.

A seminar was held in Kolkata on "Equity Derivatives in India". The topic was presented by Mr Shubabrata Sengupta, Manager-Investment & Fund Management, United Bank of India. He spoke on the growing use of Equity derivatives even though it is

Indian Seminars on Equity Markets

rather a new concept in our country. The presentation was conceptualised in such a way that the participants could learn the essential theoretical framework and the practical aspects at the same time.

A seminar on "Basics of Investing in Equities" was held in New Delhi, where Mr. Prakash



Chhabra, Sr.Faculty, IFBI, delivered a talk on the subject from a practitioner's point of view, explaining the fundamentals of investing, emphasizing on diversification, asset allocation, In-

vestor Psychology, risk profiling, determining the financial goals of investing, time horizon, investing strategies, risk – return trade off etc. Trading Psychology (Hope, Fear, Greed & Pride) & its impact on the trading profits were also explained.

A seminar on "Goal Achievement and Financial Planning: The Mutual Fund Way" was held in Ahmedabad. The Speaker Mr. Prashanth Shah, Faculty,

Knowledge Academy, expressed his views on how to successfully manage one's wealth and achieve individual financial goals through investment in Mutual Funds.



ALGAFI Luxembourg Annual General Meeting 2008

ALGAFI – the Luxembourg Association of Financial Analysts held its 2008 Annual General Meeting on June 26. On this occasion, ALGAFI welcomed Mr. Luc Frieden, Minister of the Treasury, and Mr Jean-Jacques Rommes, General Manager of The Luxembourg Bankers Association as guest speakers. The Meeting opened with the Welcome Speech by the President, Prof Dr Yves Wagner.

ALGAFI had an active year. The following events were organized:

January 30: Round Table on Financial Markets. Experts from 4 Luxembourg-based banks and Asset Mgt firms resp. gave their outlook for the markets in 2008.

February 18: Presentation by Mr. Jean Karsenty, President of ICMA (International Capital Markets Ass.): The Capital markets and the recent market turmoil: the causes, the consequences, proposals for better market governance. Mr. Karsenty gave a thorough analysis of the various facets of the banking crisis, followed by a lively debate. This event was co-organized by ALGAFI, PRIM and The Director's Office.

Also, ALGAFI launched the ALGAFI News, a Newsletter which will be published quarterly and whose aim is to deepen the links between ALGAFI and its members as well as with other actors of the financial centre. The Newsletter is open to professional debate. ALGAFI wel-



Mr Luc Frieden, Minister of the Treasury, gave an insightful speech on the perspectives of the Financial Centre of Luxembourg.

comes contributions from its members.

Also ALGAFI collaborated on various projects within EFFAS, the European Federation of Financial Analyst Societies, and ACIIA, the Association of Certified International Investment Analysts. Unfortunately, ALGAFI was not able to organize a CIIA qualification in 2007. However, ALGAFI is working to organize a CIIA qualification for 2008/9, with examinations in March and September 2009. The CIIA qualification has many attractions, and ALGAFI will increase its efforts to promote this qualification among the professionals and the human resource executives of financial firms in Luxem-

bourg. And, of course, we are counting on our alumnis and members to take part in this effort and to encourage their colleagues at work to take the same path.



Jean-Claude Weidert and Prof.Dr. Yves



The Luxembourg City History Museum was an elegant setting for ALGAFI's AGM.

Agenda

Meetings and Events

The 8th SAAJ Summer Seminar

10 July, 2008

Various Problems in Relation to Securitized Products

– In consideration of subprime crisis

The 9th SAAJ – Nippon Finance Association Joint Seminar

05 September, 2008

Investment Information in Equity Market and Investors Behavior (tentative)

XRBL for Investment Professionals “What interactive data will do for you”

London, 26 September, 2008

A joint conference by: IASB, CFA Institute and EFFAS

The 23rd SAAJ Annual Conference

10 October, 2008

Corporate Management and Attractive Financial Market in the Midst of Globalization

EURO Finance Week

Frankfurt, 17–21 November, 2008

CIIA Final Examination Dates

September 2008

Friday 19, in Europe, New York and Americas; Saturday 20, in Asia



ACIIA NEWS

Publisher

Association of Certified
International Investment
Analysts ACIIA

Feldstrasse 80

8180 Buelach/Zurich

Switzerland

T +41 44 872 35 43

F +41 44 872 35 32

info@aciia.org / www.aciia.org

Layout

zollinger graphic design,
Zurich/Switzerland (azollinger.ch)

Copyright ©

Pictures:

The rights to all pictures are
either with ACIIA or a third party
and may not be used without
permission.