

Same-day share financing

OCBC Securities' speedy approval allows customers to seize trading opportunities

LEE CHING WERN

chingwern@mediacorp.com.sg

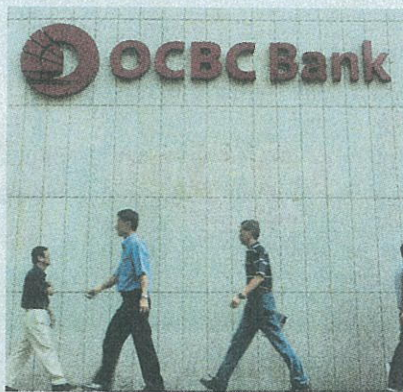
OCBC Securities will soon offer its customers trading access the same day they apply for share financing.

Starting next Monday, OCBC Securities will become the first local brokerage to offer same-day trading, giving its share-financing customers the fastest approval rate in the market. Initially, this will apply only to the trading of Singapore shares.

Previously, OCBC Securities, like the other brokerages, took about two to three days to approve a share-financing application.

Announcing the enhancement to its share-financing plan on Wednesday, OCBC Securities managing director Hui Yew Ping explained that the brokerage's move was in response to customer feedback that they needed to be able to react speedily to trading opportunities.

"Time is of essence when it comes to entering or exiting the stock market. By the time people wait that few days for their share fi-



WEE TECK HIAN

LEVERAGED TRADING: OCBC Securities says it offers the largest list of shares that customers can pledge as collateral.

nancing applications to be approved, a trading opportunity could be lost," said Mr Hui.

"OCBC Securities set out to address the frustration that comes from sitting on the sidelines as the market moves," he added.

OCBC Securities offers the largest list of shares that customers can pledge as collateral to gear up for further trading, the brokerage said. The brokerage now offers over 1,000 stocks across Singapore, Malaysia and Hong Kong, with the Hong Kong segment added in just

two weeks ago.

Share financing unlocks the power of leveraging and offers investors the opportunity to build and create more wealth. But the leverage works both ways and an investor will lose his or her investment much faster if he or she is caught on the wrong side of a trade.

OCBC Securities said it would be targeting PMEBS (professional, managers, executives and businesspeople) and the mass affluent, especially those with prior experience in share investment.

With OCBC Share Financing, customers can get up to two-and-a-half-times their share capital if they pledge shares from their Central Depository Account to an OCBC Securities account. They can also multiply their cash capital by up to three-and-a-half times to buy shares.

"Although the approval process for granting share financing has been compressed to respond quickly to the market, there will be no compromise on the credit criteria assessments. All the standard and necessary checks will be done," said Mr Hui.