

Today

OCBC Securities to offer direct market access

ESTHER FUNG
esther@mediacorp.com.sg

WITH more Singapore investors trading shares on foreign bourses, at least one local brokerage firm here is upgrading its services to reach out to more of such customers.

OCBC Securities is offering retail investors direct market access (DMA) to seven more exchanges in China, Indonesia, Thailand and the United States by the end of the

month. This is on top of the current four; namely, the Australian Securities Exchange, the Stock Exchange of Hong Kong, Bursa Malaysia and the Singapore Exchange.

One of the benefits of DMA is speed, said Mr Hui Yew Ping, managing director of OCBC Securities, who is targeting 30 per cent annual growth in foreign trades.

Clients can execute a trade with

the foreign bourse directly, without going through a local dealer.

"Customers want faster execution, and want to take control of their investments," said Mr Hui, noting that the financial crisis has brought about more awareness of time-sensitive trades.

We have seen "exponential growth" in the value of foreign market trades for the past year,

said Mr Hui.

Previously, DMA was offered only to institutional investors. Retail investors had to get trade representatives to execute orders electronically, which took about three minutes each time.

Another more traditional method involved calling a broker, who would then have to liaise with other intermediaries like

foreign brokers, extending the average time it took to execute a trade to 30 minutes.

Mr Hui said there would not be an increase in trading fees.

But trading in foreign bourses can be risky. Remisier Gary Goh said, "I've noticed more investors looking into foreign exchanges, especially the US, but one has to be very careful. There are more risks involved, and different rules and time zones."