



MEDIA RELEASE

AFMA responds to announcement on competition in cash equities clearing

30 March 2016

The Australian Financial Markets Association (AFMA) welcomes the announcement today by the Treasurer, Scott Morrison, on competition in cash equities clearing.

AFMA's membership reflects the broad range of participants in Australis's equities markets, including broking and clearing participant members who account for over 90% of turnover in the equities markets.

Government policy for competition in cash equities clearing must promote secure and effective markets for all participants, so they are competitive, efficient and reasonably priced for users.

The package of measures announced by the Treasurer to open competition in the clearing of cash equities strikes the right balance for the further development of our market. It will enable competition to occur in the future and also will provide regulatory mechanisms to ensure the broader market interests are protected, if necessary, while there is an effective monopoly in clearing.

The equities markets are important to the effective functioning of the Australian financial system and to the wider economy.

AFMA will encourage the Government to proceed in a timely way with the legislative changes recommended by the Council of Financial Regulators to facilitate safe and effective competition in clearing cash equities.

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The Australian Financial Markets Association (AFMA) is the leading industry association promoting efficiency, integrity and professionalism in Australia's financial markets and provides leadership in advancing the interests of all market participants. These markets are an integral feature of the economy and perform the vital function of facilitating the efficient use of capital and management of risk. Market participants perform a range of important roles within these markets, including financial intermediation and market making.

AFMA represents over 130 members, including Australian and international banks, leading brokers, securities companies, state government treasury corporations, fund managers, traders in electricity and other specialised markets and industry service providers. A [list of AFMA members](#) is available on the AFMA website.