



MEDIA RELEASE

New best practice guidelines for handling confidential and price-sensitive information and market soundings

28 November 2011

Today AFMA announces the release of its '[Best practice guidelines for handling confidential and price-sensitive information and market soundings](#)' to the Australian market (Guidance).

Weblink: <http://www.afma.com.au/standards/codespractices.html>

This new Guidance relates to the handling of confidential information and the conduct of market soundings with respect specifically to equity capital market transactions occurring in Australia.

The Guidance is designed to:

- a) establish information barrier measures to ensure confidential information received by members is suitably protected;
- b) minimise leaks which may prejudice markets and undisclosed transactions;
- c) preserve market integrity and efficiency through the timely and authorised release of confidential and potentially price-sensitive information;
- d) minimise the risk of insider trading;
- e) assist members comply with applicable licensing conduct rules; and
- f) protect and enhance the reputation of members and their clients.

AFMA's experience over many years is that industry standards provide important benefits to market participants including greater operational efficiency, cost savings and better regulation. AFMA has significantly contributed to regulatory reform initiatives by establishing principles based guidance to inform and guide the market.

AFMA has undertaken a close dialogue with the Australian Securities & Investments Commission in relation to this market initiative.

AFMA represents the leading stockbrokers and investment banks that operate in the Australian market.

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Notes for Editors:

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.