

Securities Industry Seminar 2019

‘FinTech and Algorithmic Trading’

Jointly organized by ASCM and Bursa Malaysia

PROGRAMME OVERVIEW

The financial technology (FinTech) industry, refers to the group of companies that are introducing innovation into financial services through the use of modern technologies. The FinTech revolution, driven by a wave of start-ups with innovative new business and revenue models, new products and services, is changing finance for the better globally.

Lately, algorithmic trading and high-frequency trading (HFT) are the hot topic in financial markets now. Algorithmic trading thus is a trading strategy that has been automated through the use of a computer. While computers and trading algorithms make decisions and execute trades thousands of times faster than a human trader could, an algorithm generally makes the same kinds of decisions that a human trader would make. Due to the advancement of technology, currently, it is estimated that 75% of US stock trades are not placed by humans but by computer algorithms. This figure has been expanding over time and is expected to continue to do so.

PROGRAMME OBJECTIVE

In this course, we will look into the concepts of FinTech and algorithmic trading, the evolution of algorithmic and high-frequency trading, trading platforms, technologies and strategies as well as robot advisors.

LEARNING OUTCOME

Upon completion of the course, participants would be able to:

- Describe the financial technology sector (FinTech) and its impact on traditional financial institutions, on the global economy, and on the world at large
- Examine the main FinTech hubs in the world
- Explain the concepts and characteristics of algorithmic trading;
- Differentiate between execution algorithms and high-frequency trading (HFT) algorithms;
- Examine types of execution algorithms and high-frequency trading algorithms;
- Describe market fragmentation and its effects on how trades are placed;
- Describe what Robo-Advisors are today and how they will evolve

- Examine how human financial advisors can optimize their businesses in response to regulations, customer demand and technology
- Describe goal based investing as the key step in personalization within the journey of wealth management innovation

METHODOLOGY

Interactive presentations and discussions.

CONTINUING PROFESSIONAL EDUCATION (CPE)

Upon the approval by the Securities Commission, this seminar would carry 10 CPE points for the Capital Markets and Services Representative's Licence (CMSRL) holders and the Employees of Registered Persons (ERPs).

TARGET PARTICIPANTS

CMSRL holders, Employees of Registered Persons (ERPs) or any persons (Compliance, Dealing, Audit, Operations and relevant officers) whose activities fall under the Capital Market Services Act 2007.

NUMBER OF PARTICIPANTS

Maximum of 120 participants

DURATION

One day

DATE

20 April 2019

10 August 2019

7 September 2019

5 October 2019

VENUE

Sime Darby Convention Centre, Kuala Lumpur

Grand Paragon Hotel, Johor Bahru

Jen Hotel, Penang

Sime Darby Convention Centre, Kuala Lumpur

FEE

Early Bird Rate (for registration 14 days before the date of each seminar)

ASCM Members (Including Trading Participants) : RM 150 per pax

Non-ASCM Members : RM 170 per pax

Normal Rate

ASCM Members (Including Trading Participants) : RM 170 per pax

Non-ASCM Members : RM 190 per pax

PAYMENT

Full payment is required with registration, or at least 7 days prior to the commencement of the seminar via either one of the following methods:

- Cheque made payable to the **ASSOCIATION OF STOCKBROKING COMPANIES MALAYSIA**; or
- Bank Transfer or Interbank GIRO (IBG). The Association's banking details are as follows:-

Payable to : ASSOCIATION OF STOCKBROKING COMPANIES MALAYSIA

Bank Account No. : 562683206006

Bank Details : Malayan Banking Berhad

Damansara Jaya Branch, 65 & 67, Jalan SS 22/19, Damansara Jaya 47400 Petaling Jaya

Please email a copy of the bank transfer or IBG confirmation to the Association at education@ascm.org.my

CANCELLATION

Cancellations will NOT be entertained. Nevertheless, substitute(s) will be accepted at no extra charge with 48 hours' notice.

PROGRAMME OUTLINE

8.30 am Registration / Welcome refreshments

9:00 am **Introduction to FinTech**

- What is the FinTech industry
- The areas of FinTech
- Why is FinTech important
- New entrants to banking
- Global FinTech investment
- Main FinTech hubs

Speaker: Ooi Kok Hwa, MRR Consulting

10:30 am Morning break

10:45 am **Concepts and Characteristics of Algorithmic Trading**

- Execution Algorithms
- High-Frequency Trading (HFT) Algorithms
- Pairs trading
- Index arbitrage
- Basket trading
- Spread trading
- Mean reversion

PROGRAMME OUTLINE

- Delta neutral strategies

Speaker: Ooi Kok Hwa, MRR Consulting

12:45 pm Lunch

2:00 pm **Electronic Trading and Irregular Trading Behaviours**

- Trend of ALGO and DMA
- Identification of Irregular Trading Behaviour and Red Flags
- Assessment of Irregular Trading
- Significant Enforcement Cases relating to ALGO
 - Flash Crash
 - Knight Capital
- New regulations regulating Algorithmic Trading (Globally) and introduction of ICON-ET

Speaker: Mohamad Azhar Mohamed Hamidi, Bursa Malaysia

2:45 pm **The Evolution of Algorithmic and High-Frequency Trading**

- The life cycle of an algorithm
- Market fragmentation
- Opportunities in new asset classes
- Opportunities in cross-asset class trading
- Opportunities in new geographies
- Opportunities in cross-border trading

Speaker: Ooi Kok Hwa, MRR Consulting

3:45 pm Coffee break

4:00 pm **From Robo-Advisors to Goal Based Investing**

- Personalized decision-making, individual goals and behaviour
- Automated long-term investing
- Passive investment management with ETFs
- Algorithms of automated portfolio rebalancing
- The principles of goal based investing: personalize the investment experience
- The future of digital advice

Speaker: Ooi Kok Hwa, MRR Consulting

5:00 pm End of Program

DISCLAIMER

The Association reserves the right to amend the terms, course contents and program without prior notice if it is deemed necessary to ensure the effectiveness and success of the program.

FOR FURTHER DETAILS

Please contact the Association of Stockbroking Companies Malaysia

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