

# Asia Pac Rules

*Important Publisher's Note: This quick reference is provided by the Publisher and must not be taken as definitive; all information below must be confirmed with the relevant authorities by all intending to use them as a reference.*

## Australia

Market Access	No ID required
Short Selling Rules	A sale is considered short if the seller does not have a presently exercisable and unconditional right to vest the securities to the buyer. A "presently exercisable and unconditional right" means you have, for example, title to the securities or have borrowed the securities (a "locate" is not sufficient) prior to the sale. Where a borrow is in place the sale may be considered to be long and there is no requirement to flag it in any way. However, if there is no borrow arranged then the sale is short and there is an uptick rule. Additionally, such short sales may only be conducted in designated securities.

## China

Market Access	There are two types of shares: <ul style="list-style-type: none"> <li>• A Shares (denominated in RMB, settled in RMB): available only to Chinese Investors and qualified institutional foreign investors</li> <li>• B Shares (denominated in RMB, settled in USD (in the case of Shanghai) or HKD (in the case of Shenzhen): available only to Chinese Investors and qualified institutional foreign investors</li> </ul>
Short Selling Rules	No short selling for A shares or B shares

## Hong Kong

Market Access	No ID required
Short Selling Rules	Short Sales may not be made at a price below the best current ask price. Naked short sales are not permitted. An investor may only sell shares if, at the time of sale, he has, or has reasonable grounds to believe that he has, a presently exercisable and unconditional right to vest the shares in the purchaser (covered short sales). Only shares in companies nominated by the HKEx may be short sold (refer to the exchange website). Orders must be tagged as short sales. There must also be notices (SLHK notice from stock lender to stock borrower and SSHK notice from short seller to the exchange) representing the short seller's right to the stock. The uptick rule applies.

## India

Market Access	Non-resident investors must become Foreign Institutional Investors (FIIs) in order to trade.
Short Selling Rules	Short selling for institutional investors is not allowed

## Japan

Market Access	No ID Required
Short Selling Rules	A short sale is defined as sale without ownership of securities; sale with securities borrowed or sale without assurance of timely delivery of securities at the time of settlement. Investors must submit a report through their broker to the stock exchange where the shortsale is executed. Short sales are subject to an uptick rule.

## Korea

Market Access	Non-resident investors must obtain an Investor Registration Certificate (IRC) in order to trade.
Short Selling Rules	A short-sale is defined as a sale by a securities company that intends (or, in the case of a client order, the client intends) to settle the trade with borrowed securities. Short Sales must be executed at or better than the last traded price in the market. Naked short sales are not permitted. Covered short sales are subject to an uptick rule.

## Malaysia

Market Access	ID, but not pre-allocation, required. Account must be opened with the Malaysian Central Depository.
Short Selling Rules	The regulations provide a framework for covered short-selling, where an investor may only sell shares if, at the time of sale, he has, or has reasonable grounds to believe that he has, a presently exercisable and unconditional right to vest the shares in the purchaser. All previous Securities Commission guidelines restricting short-selling have been lifted. However, no short-selling is practiced in the market, and no stock-lending market exists.

## Singapore

Market Access	No ID required
Short Selling Rules	"Short-selling" is not defined in the regulations. There is no prohibition on short-selling, unless the sale is considered by the regulator/stock exchange to be market manipulation or other prohibited activity.

## Taiwan

Market Access	Non-resident investors must register as a Foreign Institutional Investor (FINI) in order to trade.
Short Selling Rules	Very strict. Taiwan is a no fail market. Must physically have stock in your depot before you can sell. No intra-day buy/sell round trips allowed.

## Thailand

Market Access	No ID required
Short Selling Rules	Short selling is permitted for local shares, foreign shares and NVDRs, provided that Thailand Securities Depository Company is the registrar. The borrowed stock must settle on or prior to the settlement date of the stock being sold short. Uptick rule applies.