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**From:** Northwood, Mark [REDACTED]  
**Sent:** Tuesday, April 3, 2007 17:05  
**To:** feedback  
**Subject:** Closing auction

I would like to submit my views on this matter, as Head of our Asia ex-Japan Trading team for Fidelity International.

The consultation paper provides a very fair assessment of the proposal and my view is that a transparent auction with IEP and IEV leads to the most efficient price discovery. Fund managers are routinely faced with the task of matching transactions in our funds to valuation points. A reliable closing price determined via a fair auction process serves the interests of investors in our funds, by enabling our funds to transact at the same effective price point as our investors.

I would favour a random closing feature over using a fixed time, since the spread of algorithmic trading means that there may be attempts to game the IEP, at the margin. Nevertheless, our experience of closing auctions in Australia is very positive with good liquidity available at the close. We support the proposal in the consultation paper.

A related issue is that of displaying the identity of brokers in the market: we were supportive of the removal of this information in both Japan and Australia, as it was seen to be favouring day traders at the expense of institutional investors, and we would support such a change in the Hong Kong market also.

regards

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