

12 September 2001

HKEx Chief Executive's Statement

Our securities and derivatives markets opened as normal this morning and trading was orderly throughout the day.

The Hang Seng Index closed down 923.74 points, or 8.87 per cent at 9,493.62, on turnover of \$12.17 billion.

The HSI Futures market closed down 889 points, or 8.56 per cent at 9,501. Volume was 24,160 contracts.

There were margin calls in the futures and stock index options markets, according to standard procedures, and all market participants involved met their obligations.

Also, Hongkong Clearing, following its standard procedures, marked to market broker Participants' open positions in the stock market at the usual times. Accounts were debited according to standard procedures and all parties involved met their obligations.

There have been no reports of irregularities among our Exchange and Clearing Participants.

We will continue to monitor the markets closely and will continue to take appropriate risk management measures.

Investors are reminded to exercise caution when trading in the markets.

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