

<b>Bond Short Selling in East Asia</b>		
<b>Market</b>	<b>Short Selling Allowed?</b>	<b>Details</b>
Brunei	No	There are no regulations permitting short selling.
China, People's Rep. of	Yes	PBOC has amended its rules to allow borrowing and lending of bonds for a maximum period of 365 days, and since 20 November 2006, has permitted short selling of debt instruments by banks. Short selling in the Shanghai and Shenzhen stock exchanges also is possible.
Hong Kong, China	Yes	Short selling of debt securities in over-the-counter markets is allowed only if the seller has both the authority and capability to deliver the securities sold. Unauthorized short selling is a criminal offense.
Indonesia	No	There are no regulations permitting short selling.
Japan	Yes	Brokerage houses are allowed to short sell bonds that have been traded previously.
Korea, Rep. of	Yes	Short selling of sovereign and corporate bonds is allowed in the over-the-counter (OTC) market only when there is a guarantee for settlement such as a loan transaction. Short selling without borrowed securities or naked short selling is not allowed.
Malaysia	Yes	Primary dealers, commercial banks, finance companies, merchant banks and discount houses that trade on the interbank market, and universal brokers are allowed to short sell Malaysian Government Securities. Naked short selling is not allowed.
Philippines	Yes	Securities Regulatory Code and the Securities and Exchange Commission (SEC) has issued rules on securities borrowing and lending that allow short selling of securities subject to limits. The Philippine Dealing & Exchange Corporation draft rule on short selling is currently with the SEC for review and approval.
Singapore	Yes	There are no restrictions on short selling debt securities in Singapore. There are no by-laws under the Singapore Exchange Ltd. that forbid short selling.
Thailand	Yes	Commercial and retail banks are allowed to short sell once they apply for and receive a license from the Securities and Exchange Commission (SEC) to borrow and lend securities.
Viet Nam	No	Short selling of bonds is not allowed in Viet Nam. It is being considered for the upcoming securities law.
<p><a href="#">Source: Summary information compiled by AsianBondsOnline from links listed in market pages.</a></p> <p>Updated March 17, 2009</p>		