

SFC Objectives, Functions and Regulated Activities

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SFC Objectives

- Maintain and promote the fairness, efficiency, competitiveness, transparency and orderliness of the industry
- Promote understanding by the public of the operation and functioning of the industry
- Provide protection to the investing public
- Minimize crime and misconduct in the industry
- Reduce systemic risks in the industry
- Assist the Financial Secretary in maintaining the financial stability of Hong Kong by taking appropriate steps in relation to the industry

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SFC Functions

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- To take steps to meet the first objective
- To **supervise**, monitor and regulate the activities of:
 - recognised exchange companies, clearing houses, exchange controllers and investor compensation companies; and
 - registered institutions (principally banks) which the SFC is required to regulate
- To promote, encourage and enforce the **proper conduct**, competence and integrity of persons carrying on regulated activities
- To maintain and promote confidence in the industry
- To cooperate with and provide assistance to other regulators
- To provide investor protection to the degree appropriate to the class of investor
- To promote, encourage and enforce internal control and risk management systems by persons carrying out regulated activities
- To suppress illegal, dishonourable and improper practices in the industry

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SFC Regulated Activities

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1. Dealing in securities
2. Dealing in futures contracts
3. Leveraged foreign exchange trading
4. Advising on securities
5. Advising on futures contracts
6. Advising on corporate finance
7. Providing automated trading services
8. Securities margin financing
9. Asset management
10. Providing credit rating services

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