

## Investor convicted of market manipulation

8 Aug 2013

The Eastern Magistrates' Court today convicted a retail investor, Mr Au Wai Lok, of six counts of false trading in the shares of Xi'an Haitian Antenna Technologies Limited (Xi'an Haitian) after he pleaded guilty.

The court adjourned sentencing to 26 August 2013 pending a report on the suitability of community service order. Au was ordered to pay the Securities and Futures Commission's (SFC) investigation costs, and placed on bail pending sentencing.

An SFC investigation found that, between 24 and 31 May 2010, Au placed orders via his and his father's securities accounts for Xi'an Haitian shares within 90 seconds of market close. The orders were to buy single board lots at prices just below the prevailing best ask price (Note 1). The orders raised Xi'an Haitian's nominal share price. Although none of the orders were filled, they raised the closing price of Xi'an Haitian by 7.7% to 12%.

The SFC alleged that the orders were not economically rational considering the relatively high transaction costs having regard to the small value of the trades nor consistent with Au's trading pattern since he was not accustomed to trading at the size of a single board lot or at a small transaction value. The orders were intended to create a false or misleading impression of the share price.

The court also heard that, on 10 May 2010, Au simultaneously placed buy and sell orders for almost the same quantity of Xi'an Haitian shares at the same price via two accounts in his name at different brokerages. The orders matched and the trades could have seemed real to observers of the trading system but involved no change of beneficial ownership and so gave false or misleading impressions of demand for and the price of Xi'an Haitian shares. The transactions accounted for about 95% of the market turnover that day.

End

Note:

1. A board lot is the minimum order quantity of shares of a stock that could be entered into the trading system of the Stock Exchange of Hong Kong Limited for automatic order matching. Every transaction concluded via the Automatic Order Matching and Execution System must be for a board lot or multiples of a board lot.

Page last updated : 8 Aug 2013

## 投資者被裁定操縱市場罪成

2013年8月8日

東區裁判法院今天裁定散戶投資者歐偉樂（男）六項就西安海天天綫科技股份有限公司（西安海天）股份進行虛假交易的控罪罪名成立。歐承認控罪。

法院將判刑押後至2013年8月26日，等候報告確定是否適合判處社會服務令。歐被命令須向證券及期貨事務監察委員會（證監會）支付調查費，並獲准保釋等候法院判刑。

證監會的調查發現，於2010年5月24日至31日期間，歐曾在收市前的90秒內，透過他和他父親的證券帳戶發出西安海天股份的買盤。該等買盤是以僅低於當時最佳賣盤價的價格買入單一手股份（註1）。該等交易指示推高了西安海天股份的按盤價。雖然該等買盤均未成交，但已將西安海天的收市價推高7.7%至12%。

證監會指，該等買盤涉及低交易額，但交易成本卻相對較高，故此在經濟角度而言並不合理。此外，該等買盤亦與歐的交易模式並不相符，原因是按單一手股份或細交易金額進行買賣，並非他的慣常做法。該等買盤的意圖是要就股價營造虛假或具誤導性的表象。

案情亦指，在2010年5月10日，歐於同一時間以相同價格分別透過兩個以他名義在不同經紀行開設的帳戶，發出幾乎相同數量的西安海天股份買盤及賣盤。該等買賣盤均獲得配對，而有關買賣儘管沒有涉及實益擁有權的轉變，但卻可令觀察交易系統資料的人士以為屬實，因此對西安海天股份的需求及價格造成了虛假或具誤導性的表象。有關交易約佔西安海天股份當日市場成交額的95%。

完

備註：

1. “一手股份”是指可輸入香港聯合交易所有限公司的交易系統以就某股票的股份執行自動對盤指令的最少股數。每宗經自動對盤及成交系統完成的交易必須為一手股份或其倍數。

最後更新日期：2013年8月8日