

The logo for BondsInAsia features the text "BondsInAsia" in a bold, sans-serif font. "BondsIn" is white and "Asia" is red. A red arrow-like shape points from the top left towards the "A" in "Asia".

BondsInAsia

An Electronic Bond Trading Solution for Asia

BondsInAsia

18 October 2002

HKCMA Investor Forum

www.bondsinasia.com

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Presentation Summary

- **Overview of BondsInAsia**
- **Our Trading Platform**



Overview of BondsInAsia

BIA Value Proposition

Shareholders

- Established in November 2000 – with offices and staff in HK and Singapore

Business Model

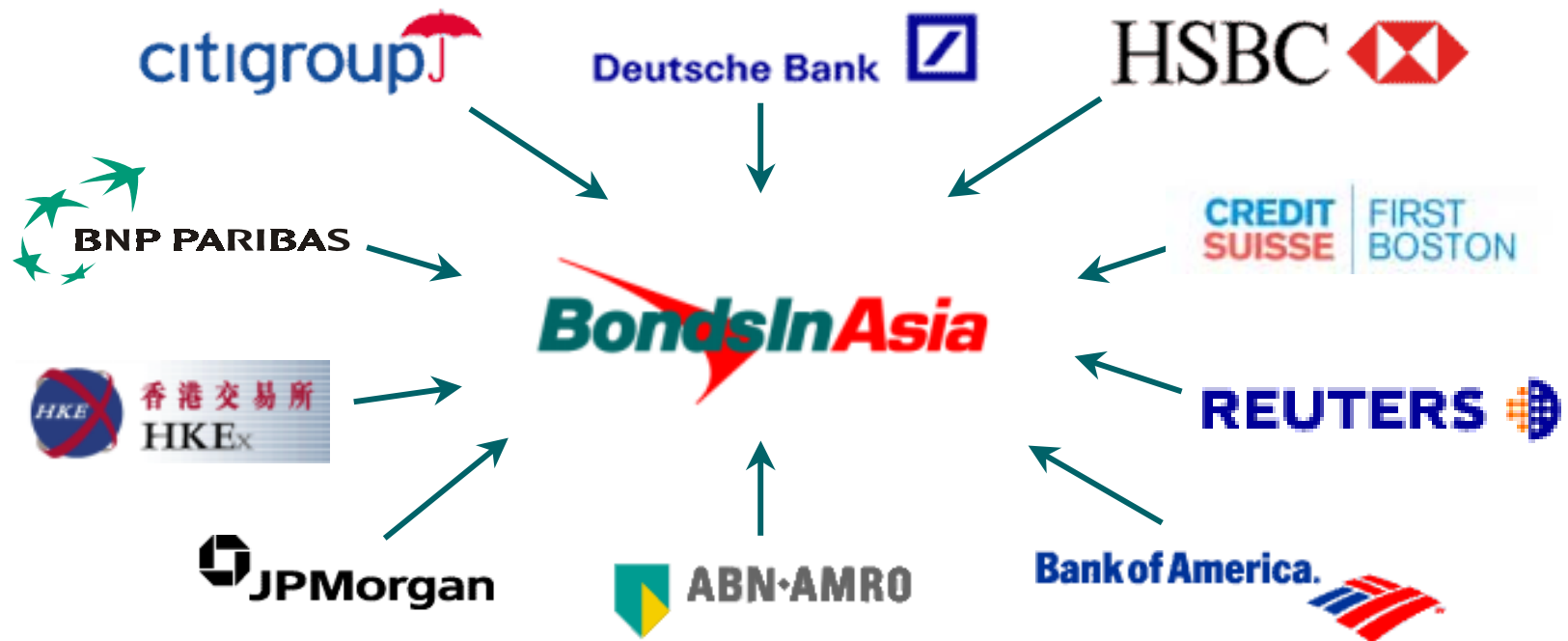
- Focus on Asian Fixed Income in Local and G3 Currencies
- Multi Dealer Trading Platform
- New liquidity channel with open participation

Technology /
Functionality

- State-of-the-Art technology and functionality



BondsInAsia Shareholders



Built by our Shareholders for the Market

BIA Member Banks

**Audited by BIA
Member Banks to meet
Compliance Standards
&
Independently Audited by
External Consultants**

Banks actively involved in

- **System testing**
- **integration to existing bank infrastructure**
- **adding new functionality**
- **ongoing technology support based in Asia**

**Designed
BIA System
for the Asian Market**

BondsInAsia Business Model

BondsInAsia typically maintains a 40% share in each franchise



BondsInHongKong shareholders



- The Hong Kong Exchange is a BIA shareholder. Strategic initiatives include:
 - Exchange Members interface
 - Data Distribution
 - Futures Routing assist development of futures markets
- YTD BIHK has delivered over US\$15 billion in trading volume with 400 trades *
- Over 20 bank participants in the interbank market
- Rapid growth of customer applications



* YTD as at 18 Oct 2002

“HKMA & BIA Link for Paperless Transactions”



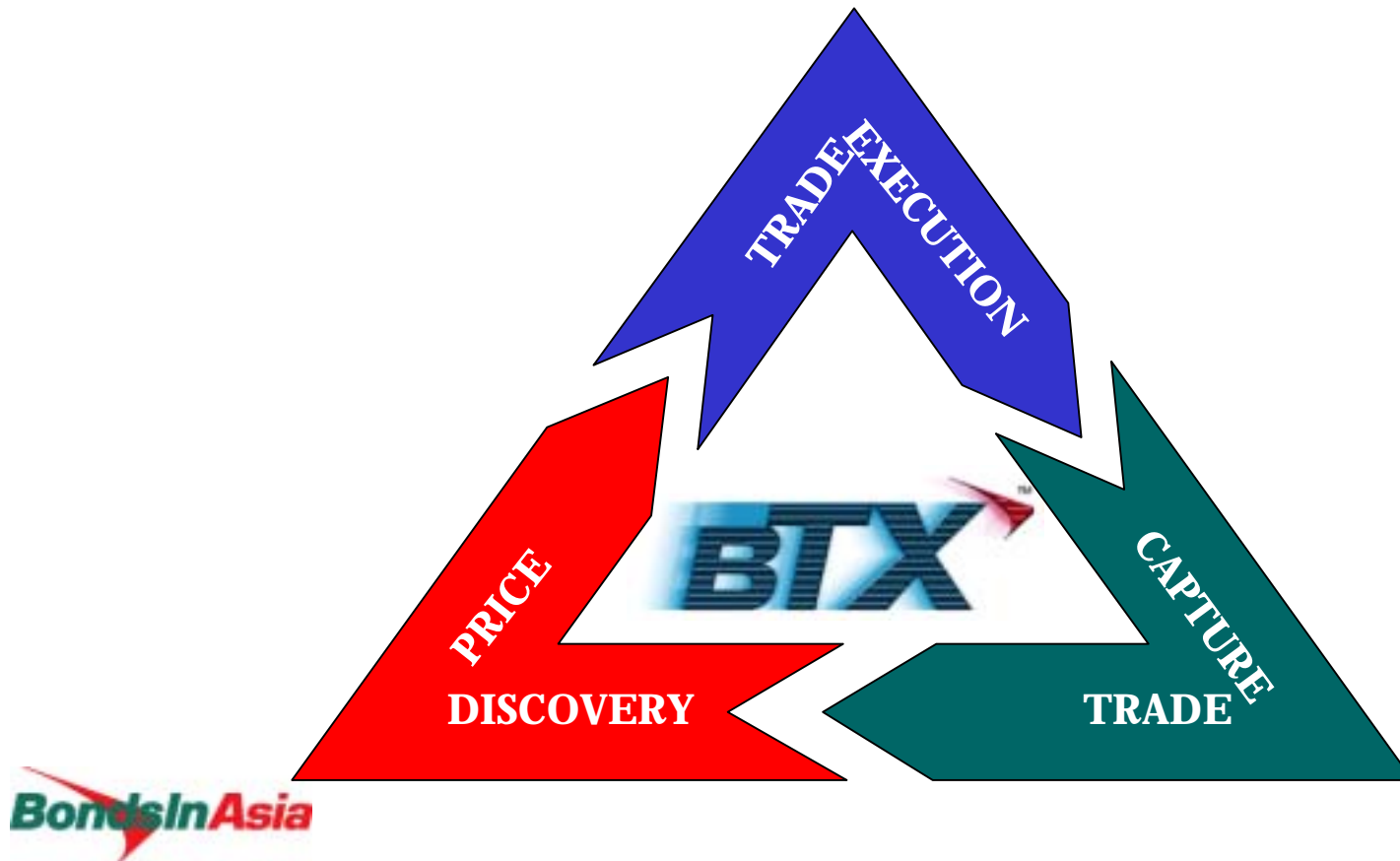
HONG KONG MONETARY AUTHORITY

- Signing Ceremony & press announcement on Friday, October 18
- BIHK & HKMA to develop to a system interface to link the CMU to BIA’s trading platform
- This linkage will further improve bond trading and settlement infrastructure in HK\$ debt
- First step towards straight-through-processing
- Aids in bringing further efficiencies to the HK\$ debt market

Our Trading Platform

Our Comprehensive Technology Solution

**BIA's trading system, "BTX"
was designed & developed for the Asian markets by the
leading market participants**



BIA Trading System: "BTX"

BTX Dashboard - C2Cust2a

File View Market Tools Administration Help

Network 03:39 GMT

Market Blotter

BondsInHongKong

Filter: None

Security	Outright Price	Outright Yield	Outright Size	Switch
AAHK 5.800 07/06/06 (A503)	108.1550 x 108.8880	3.3033 x 3.1019	8000.0MM x 8000.0MM	D1 4.3 x 2.5
CHEUY 7.880 12/22/06 MTN	117.9753 x 118.9082	3.3448 x 3.1246	8000.0MM x 8000.0MM	
HKGV 10/02/02 (H261)	99.9710... x 99.972000000	1.76 x 1.70	8000.0MM x 8000.0MM	
HKGV 10/30/02 (H263)	99.8390... x 99.848000000	1.73 x 1.63	2000.0MM x 2000.0MM	
HKGV 12/27/02 (H267)	99.5700... x 99.595000000	1.71 x 1.61	3200.0MM x 4000.0MM	
HKGV 03/19/03 (H273)	99.2000... x 99.247000000	1.69 x 1.59	6800.0MM x 5445.0MM	
HKGV 09/24/03 (Y294)	98.3370... x 98.385000000	1.70 x 1.65	0.0M x 1800.0MM	
HKGV 2.200 08/12/04 (2408)	100.3500 x 100.4350	2.0188 x 1.9722	5600.0MM x 8300.0MM	
HKGV 3.200 07/25/05 (3507)	102.2200 x 102.3280	2.3975 x 2.3579	4100.0MM x 3900.0MM	
HKGV 4.880 09/18/06 (5609)	107.8000 x 107.9570	2.8152 x 2.7745	3600.0MM x 7200.0MM	D1 75.0 x 75.0
HKGV 3.070 09/17/07 (5709)	99.8500 x 100.0590	3.1267 x 3.0803	6750.0MM x 2380.0MM	
HKGV 7.210 06/09/09 (1906)	121.8000 x 122.0580	3.5610 x 3.5217	10000.0... x 10000.0...	
HKGV 5.800 06/19/12 (1206)	113.9000 x 114.2040	4.0979 x 4.0621	5500.0MM x 6500.0MM	
HKMC 7.750 03/16/09	118.4141 x 120.2235	4.5277 x 4.2275	100.0MM x 200.0MM	
HUTCH 7.000 09/18/03	104.1250 x 104.3860	2.6435 x 2.3727	200.0MM x 300.0MM	
MTRC 6.120 02/28/08 MTN	108.6980 x 110.2390	4.3789 x 4.0660	8000.0MM x 0.0M	

Confirmations

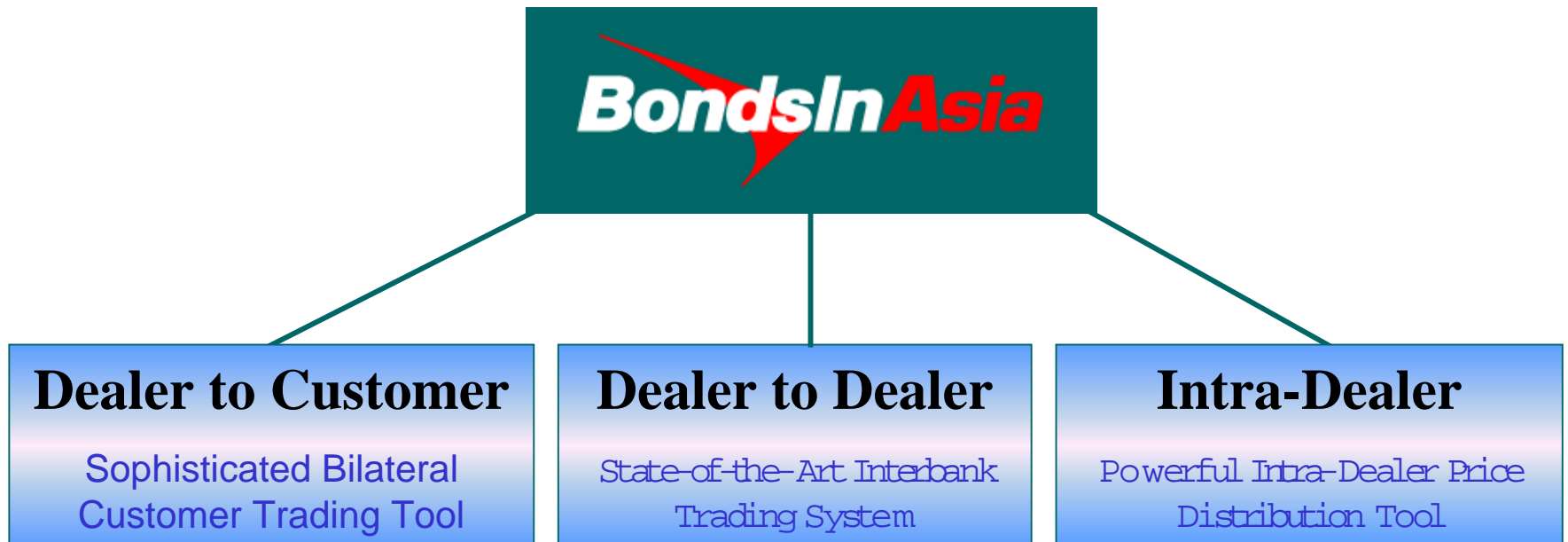
Market: All Firm: All Principal: All

Time	B/S	Security	Price	Size	Total	Stt Dt	Firm	Ticket ID	Type	Trade LV
02:53 GMT	Sell	HKGV 09/24/...	98.30952295	8000.000MM	7,864,761,83...	26.9.02	RCD1	3999	outright	
01:58 GMT	Buy	CHEUY 7.88...	119.4403	6842.000MM	8,183,922,30...	1.10.02	RCD1	3993	switch seco...	
01:58 GMT	Sell	AAHK 5.800 ...	109.1034	8000.000MM	8,833,828,16...	1.10.02	RCD1	3991	switch primary	

Java Web Start Window



Multi-Model Applications



Advantages of BIA

- **Free** for issuers, corporates & buy-side
- Bond trading is **core competency** & focus of enhancement ; **not** terminals or data sales
- Access via any PC – **no added desk space**
- **Customized pricing** on blotter
- Unmatched **dealer market-making** support
- Planned or begin **settlement linkage** through HKMA CMU

Benefits to all Market Participants

INVESTORS

- ✓ One source for multi-prices, execution & valuation
- ✓ Electronic trade execution
- ✓ Reduces transaction cost
- ✓ lower operation risk
- ✓ Proper audit trails

THE MARKET

- ✓ Market Development
- ✓ Maintain Industry Structure
- ✓ Increase market transparency

Benefits

BTX

- ✓ Seamless access to all markets
- ✓ Regulatory approval to trade
- ✓ Secure environment
- ✓ Negotiate online
- ✓ Support STP



WELCOME TO THE NEW BOND MARKETS IN ASIA

THE WHEEL, ELECTRICITY, A SINGLE MATCH. SIMPLE INVENTIONS WHICH SOLVED COMPLEX PROBLEMS.

BONDSINASIA HAS PARTNERED WITH THE LEADING LIQUIDITY PROVIDERS THROUGHOUT THE REGION TO PROVIDE YOU WITH A SINGLE POINT OF ACCESS TO THE DEALERS, THE PRICES, AND THE FACTS.

YOU CAN RESEARCH INSTANTLY, COMPARE INSTANTLY, NEGOTIATE INSTANTLY, AND EXECUTE TRADES WITH A MOUSE CLICK. EASY AS STRIKING A MATCH.



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