

**Bills Committee on
Securities (Amendment) Bill 2000**

Statistics on Short Selling Malpractices

(A) Investigations Conducted by SFC

April 1998 to February 2000

Prosecution	16
Disciplinary Action	5
No further action	32
Cases under investigation	38
Total (short selling cases)	91
Total Investigation cases (incl. SS and other cases)	548

(B) Investigations Conducted by SEHK

February 1998 to January 2000

Cases referred to SFC	34
Disciplinary action by SEHK	52
No further action	425
Cases under investigation	1
Total (short selling cases)	512

(C) Reported SS Indicator Error

June 1998 to January 2000

No. of reported cases ¹	12607
- Failure to input SS indicator	11902 (94% of total)
- Wrong input of SS indicator	705 (6% of total)

Financial Services Bureau
20 March 2000

¹ Normally, Members of the SEHK would report on the subsequent day their short selling indicator error with explanation to the Trading Department of the SEHK, which would refer unusual or exceptional cases to the Regulation Division for further investigation.