

Panel Discussion 3: The Growing Importance of Retail Investors

Dennis Hsu

Director, International Affairs Department



Taiwan Securities Association

November 6, 2014

Agenda

2

I

- Retail Investors' Participation in the Securities Markets of Asian Countries

II

- Development of the Taiwan Securities Market and Retail Investors Structure

III

- Conclusion

1.

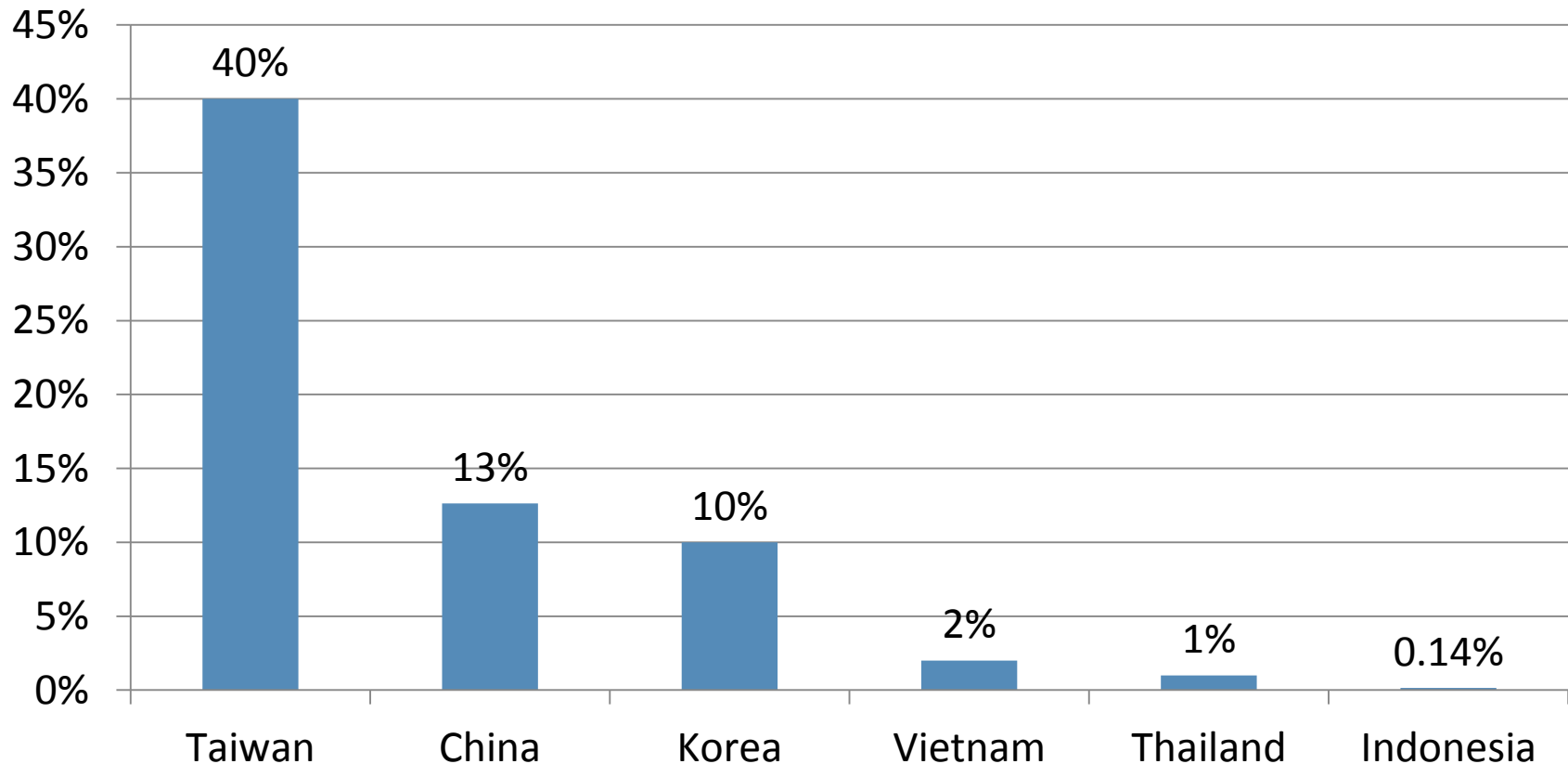
Retail Investors' Participation in the Securities Markets of Asian Countries



Retail Investors' Participation

4

Ratio of Total Securities Accounts over Population



Date: 2013/12/31

II .

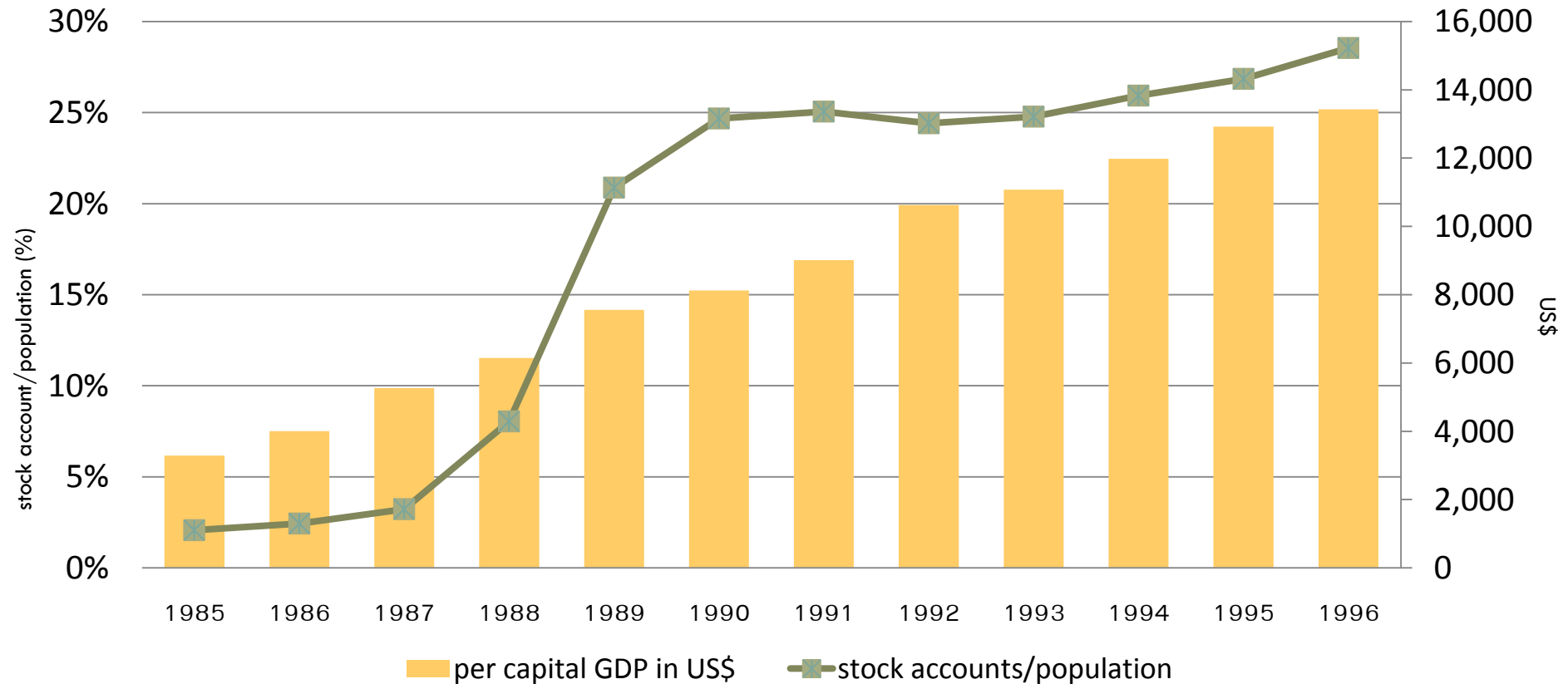
Development of the Taiwan Securities Market and Retail Investors Structure



Wealth and the Participation of Retail Investors

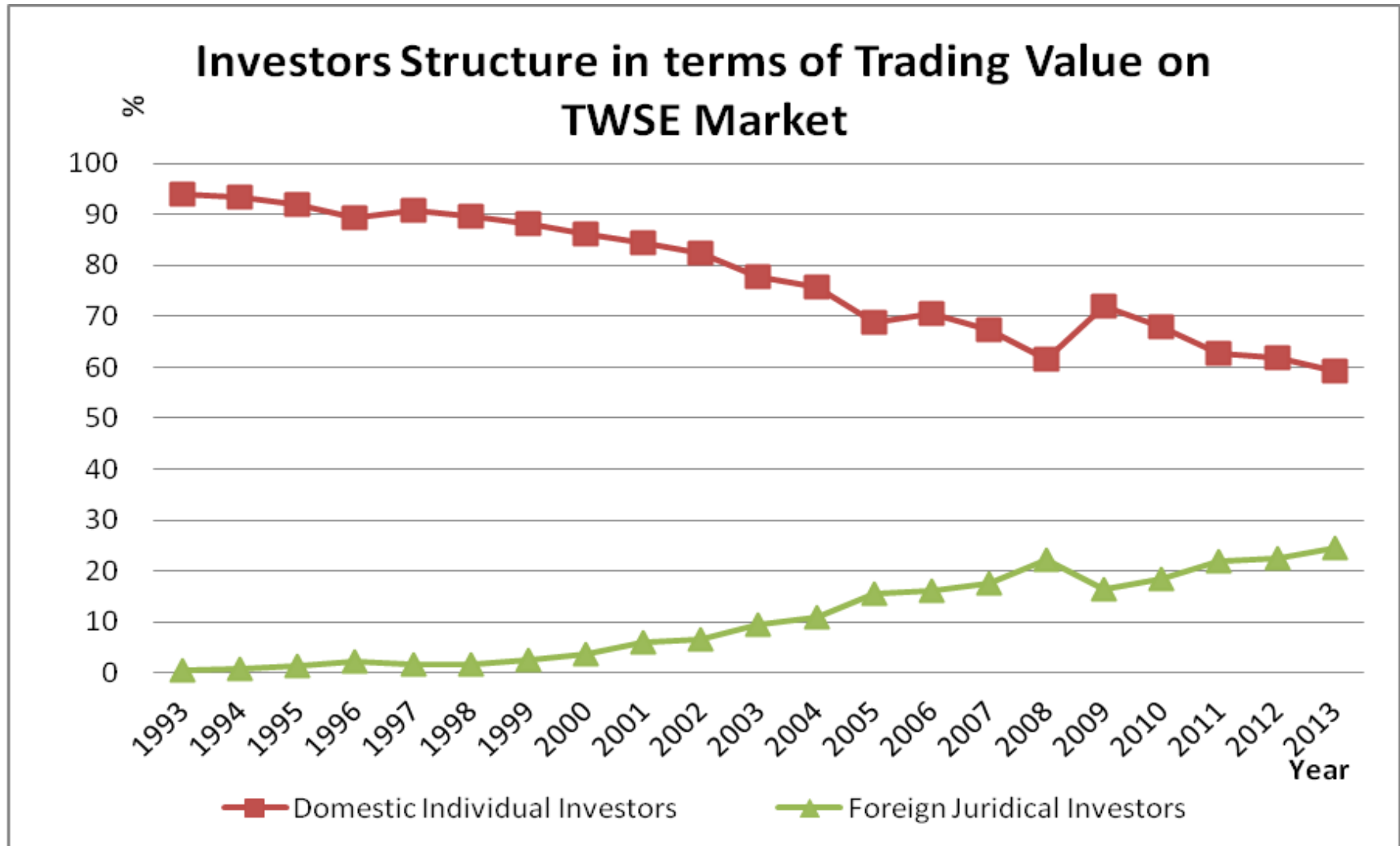
6

People's Income and Stock Accounts Number



Investor Structure has been Changed

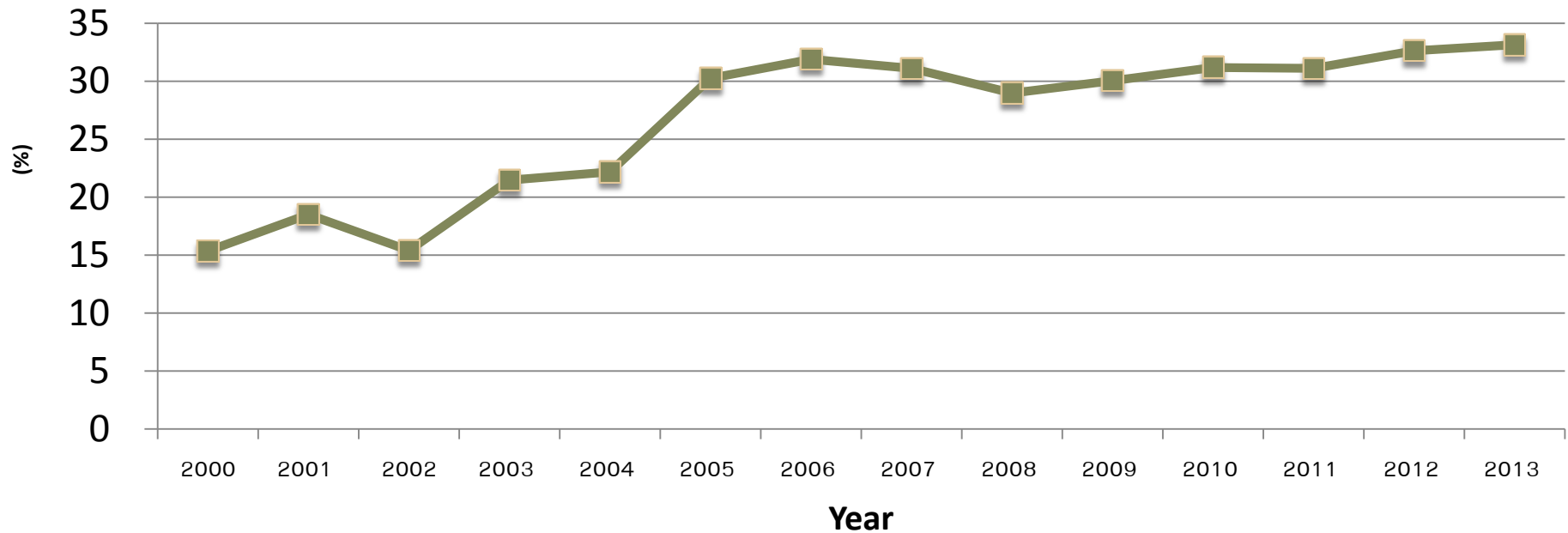
7



The Liberalization for Foreign Institutional Investors

8

Percentage of Market Value held by Foreign Investors



The Preference and Features of Taiwan's Retail Investors

9

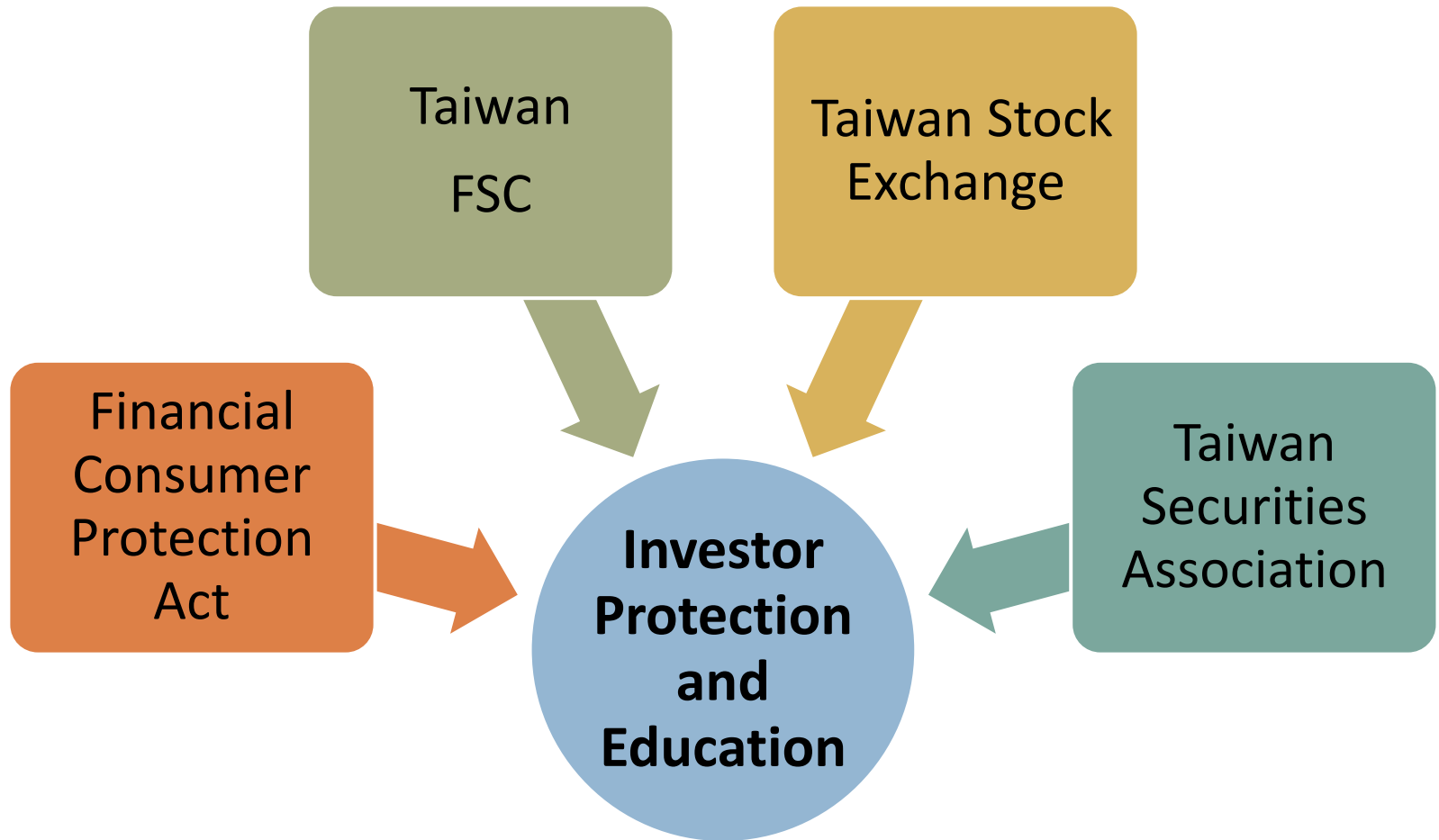
- The research result is from Taiwan's National Chengchi University on trading preference of retail investors

	Correlation	Significant
Market Value	+	*
Turnover	-	
Dividend Payout Ratio	-	
Trading Value	+	*
PE ratio	+	*
Book-to-Market Value Ratio	+	
Stock Returns	-	*

+: positive correlation - :negative correlation *:there existed significant correlation

Investor Protection and Education

10

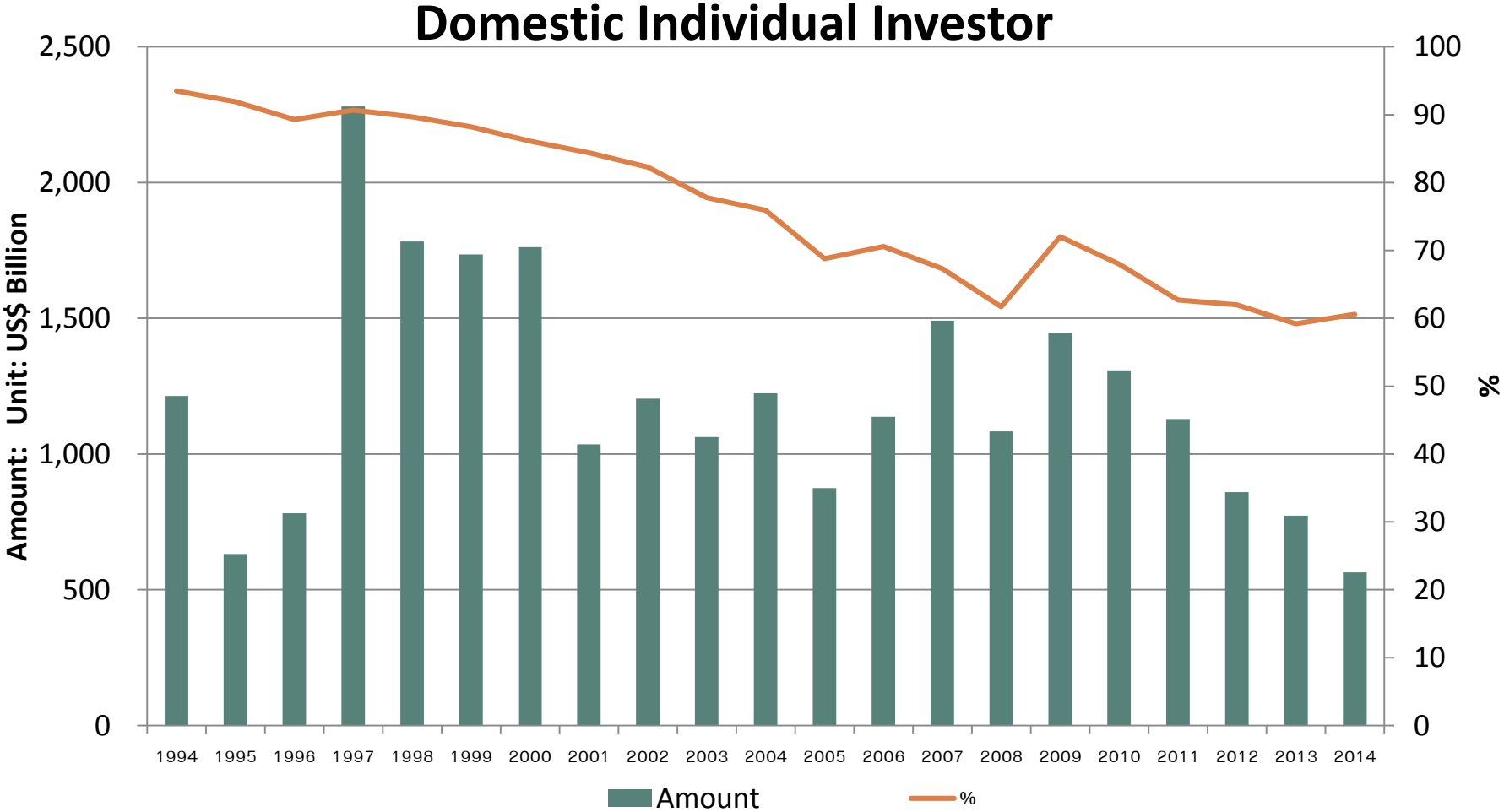


III.

Conclusion



Decreasing Retail Investors



Offshore Securities Unit (OSU)

13

To Attract Expatriate Capital Back

Tax Benefits and Exemptions

The Estimated Revenue of Securities Industry: US\$1.03 Billion Every year

