

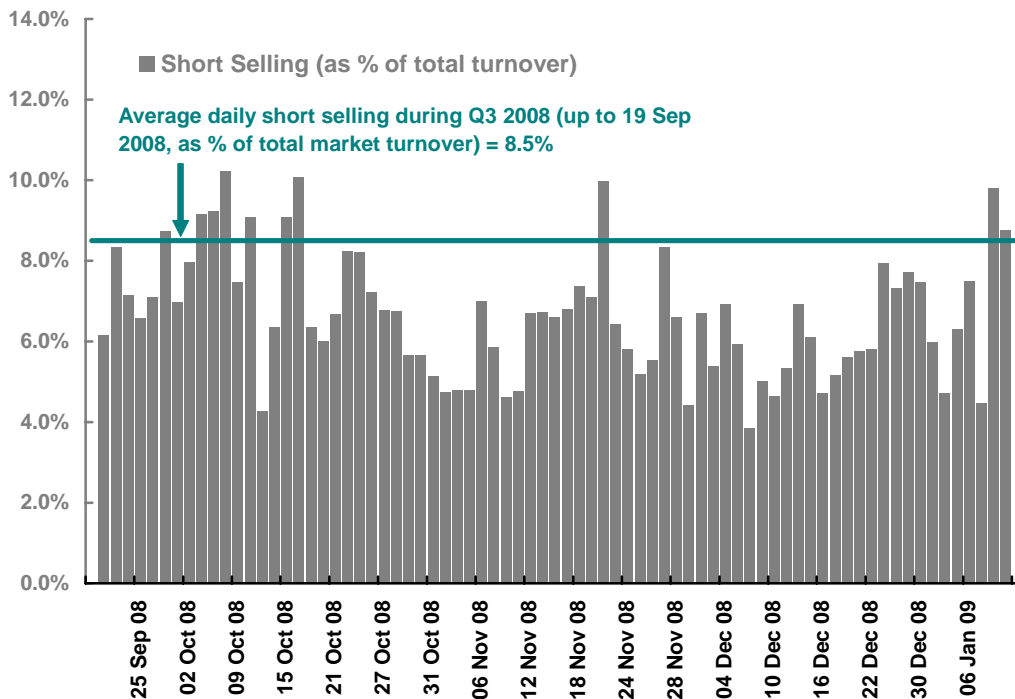
12 January 2009

Weekly update on Hong Kong's short-selling pattern (5 January 2009 to 9 January 2009)

Local short-selling turnover last week was similar to levels recorded earlier in the third quarter in 2008 and in the whole of the second quarter in 2008. During the week (5 January 2009 to 9 January 2009), the average daily short-selling turnover was \$4.1 billion or 7.0% of the total market turnover, compared to:

- \$5.7 billion or 7.4% for the second quarter in 2008;
- \$5.4 billion or 8.5% for the third quarter in 2008 up to 19 September 2008; and
- \$3.4 billion or 6.6% for 22 September 2008 to 2 January 2009.

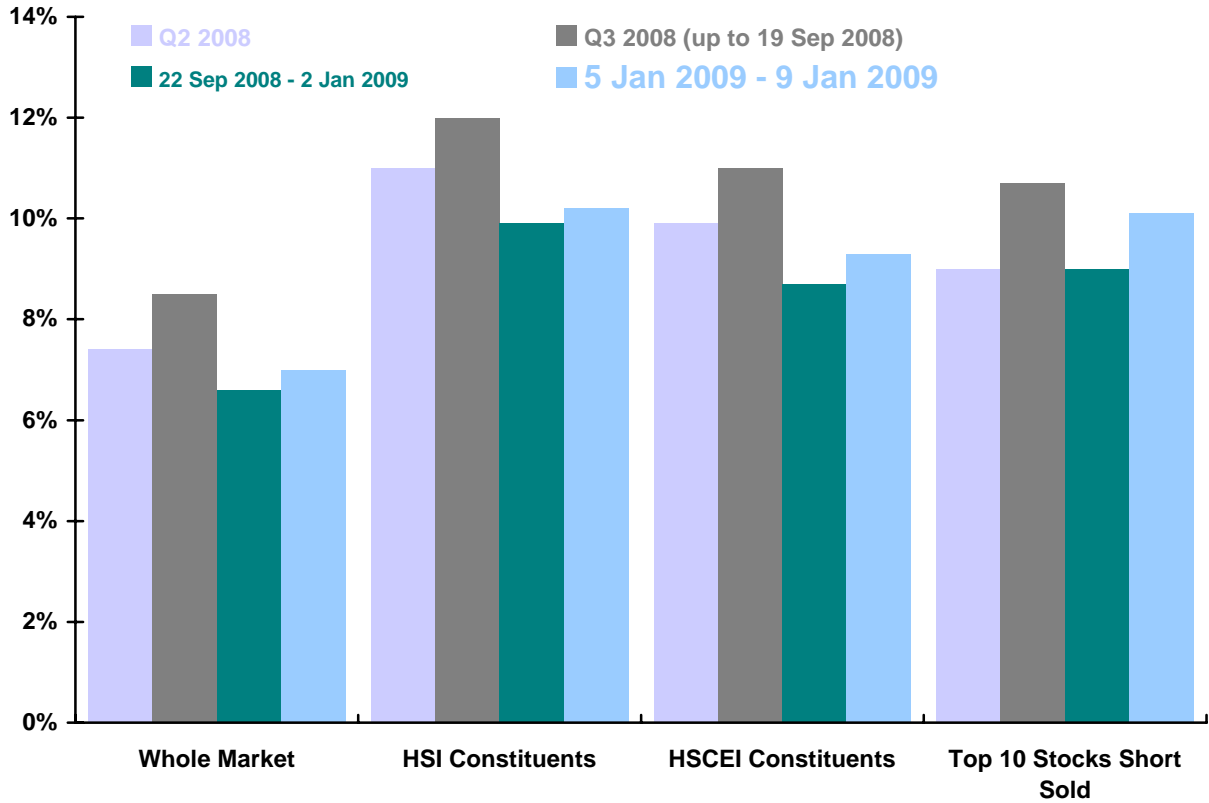
Recent short-selling turnover patterns for Hang Seng Index constituents, Hang Seng China Enterprises Index constituents and the top 10 short-sold stocks are also shown below.



Total Short Selling Turnover in Hong Kong (as percentage of total market turnover)

Source: SFC Research

Remark: Some major overseas markets have prohibited/restricted short selling since late September 2008.



Short Selling Trading as % of Underlying Turnover

Source: SFC Research

Remarks:

- (a) Some major overseas markets have prohibited/restricted short selling since late September 2008.
- (b) Figures for the whole market represent the share of short selling to total market turnover in Hong Kong.