

Document:	Conference Closing Remarks for Datuk Seri Tajuddin Atan, CEO, Bursa Malaysia Berhad
Event:	WFE IOMA 2016 Kuala Lumpur
Date:	19 April 2016
Time:	5.30 pm - 5.45 am (for all 4 speakers)
Venue:	Grand Salon, Level 1, Grand Hyatt Kuala Lumpur

Nandini Sukumar, CEO of WFE;
Juan Pablo Cordoba, Chairman, WFE, and
CEO Bolsa de Valores de Columbia;
Sandy Frucher, Vice Chairman of Nasdaq and
Chairman of IOMA

Distinguished foreign guests, Exchanges and
fellow industry practitioners

1. I want to thank WFE/IOMA for this honour and privilege to host IOMA 2016 in Kuala Lumpur. During the course of these two days, the topics raised were; as in IOMA conferences, relevant, topical and the discussions were of the highest quality and insightful. So, to Nandini and staff of IOMA, well done.

2. We have heard from regulators, market practitioners, exchange officials and interested parties from across the globe on topics ranging from clearing to settlement, supplemental leverage ratio to trade reporting, commodities trend to energy as a new frontier. Also, many topical issues were discussed and these ranged from CCPs and their attendant systemic risks, blockchain and distributed ledgers and of course, the closely related cyber-security and resilience. Finally, we just heard from Sandy, Chitra and Chairman Lee closing up by painting us a wide ranging picture of what they think the world of 2017 and beyond looks like. Such richness of content is indeed, a hallmark of all IOMA conferences.

3. I want to share a few key takeaways that I have derived. Firstly, the blockchain panel was, in my view, very insightful for me. Indeed, this development is a very exciting one for our markets. We are

standing on the cusp of what potentially could be a very disruptive change in the way our markets function. Or maybe as some in the delegates feel, blockchain would peter out into something not as impactful and material as first thought. The jury is still definitely out on this one. Even the panelists disagreed on the timeframe for blockchain to take full impact. One said 12 months while another said 12 years!

4. The blockchain technology is already present and like Steve Jobs who took existing technologies and packaged these into the disruptive revolutionary iPhone and hence change the course of mobile technology, someone might just take the existing blockchain technologies and package these ala Steve Jobs into a coherent package and change our financial world as we know it.
5. It is therefore, I think, to paraphrase Charles Dickens, “the best of times and the worst of times.” The best of times is

if we are able to harness this and ride the wave, we would bring tremendous value and efficiencies to our industry; the worst of times is if we are not careful, we could become irrelevant and become the blackberries and nokias of the financial world. I wait with bated breath on how this will play out.

6. Another key takeaway for me is the constant refrain I heard from this conference which is the need for the careful balancing of regulation and innovation. Too strong a regulatory hand and you risk stifling innovation. And if innovation is stifled, such new ways of doing things would migrate to other more forgiving regimes. The need for more discussion and engagement between the central banks and financial market regulators was also raised for more logical regulatory measures to be implemented.
7. It is also increasingly clear to me that with technology being such a large and

important part of our industry, cyber-security and resilience would be of paramount importance. A pertinent question was posed during the blockchain discussion panel on whether the distributed ledger is hackable. Indeed, imagine the market chaos that would ensue if the immutability expected of the ledger can be hacked and altered!

8. Ladies and gentlemen, we live in exciting times and like you, I look forward to the continued progress of our industry towards greater efficiencies and progress.

Thank you.