

An Asian-Pacific Perspective on Financial Integration

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General Approach

| What shall we integrate ?

- Banking, Capital Market, or Insurance ?

| Why are the markets integrated ?

- Liquidity, Investment/biz opportunities, Risk diversification
- Telecommunication, Deregulation, etc.

| How shall we integrate ?

- Physically or legally? / Regionally or Globally ?
- How about by free movement of capital across borders ?**

| Attempts to integrate in Asian Markets

- ASEAN Trading Link, Shanghai/Shenzhen-HK Stock Connect
 - Asia Fund Passporting Schemes : ARFP, MRF, ASEAN CIS, etc.
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Integration via Capital Flows Across Borders

| Types of Transactions

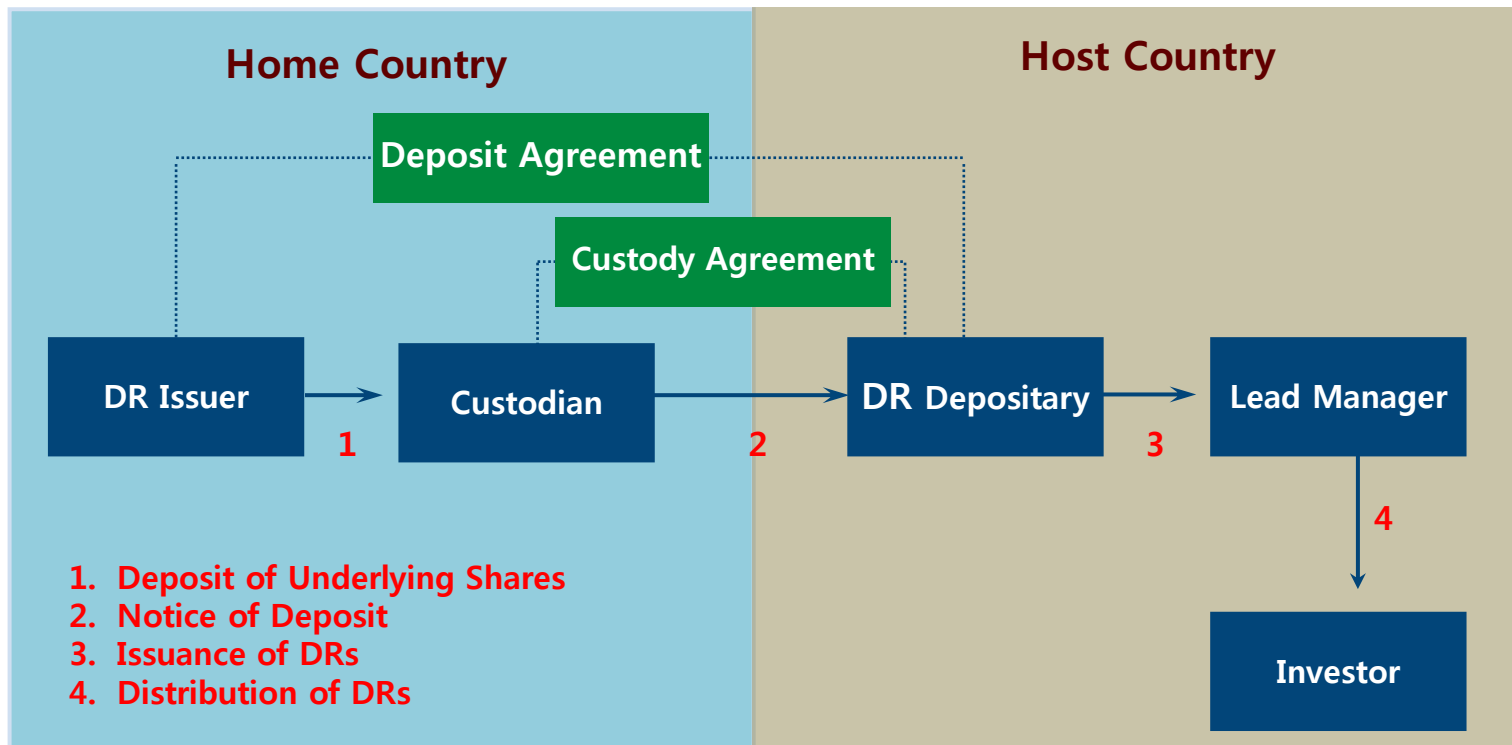
- Cross-border offerings and listings in primary markets
- Cross border investment in secondary markets

| Preliminary Questions

- Regional or Global ?
- Any legal hurdles in either home or host ?

Example of Integration via DR Program

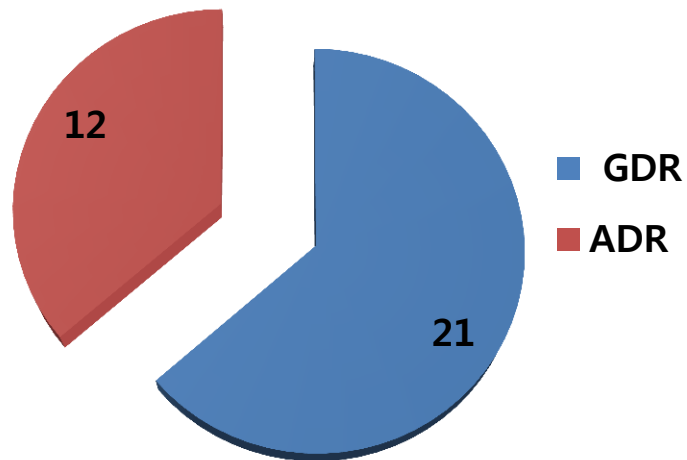
| Structure of DR Program



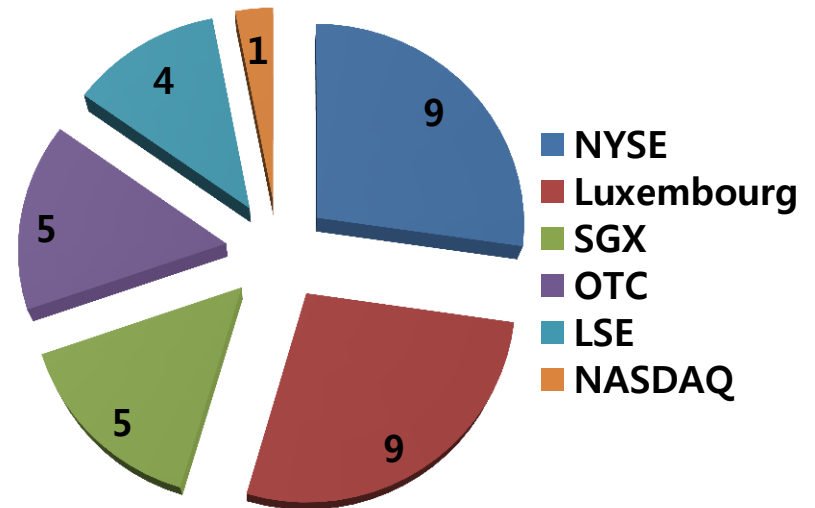
Example of Integration via DR Program

| Korea Connecting to Global Markets via DRs

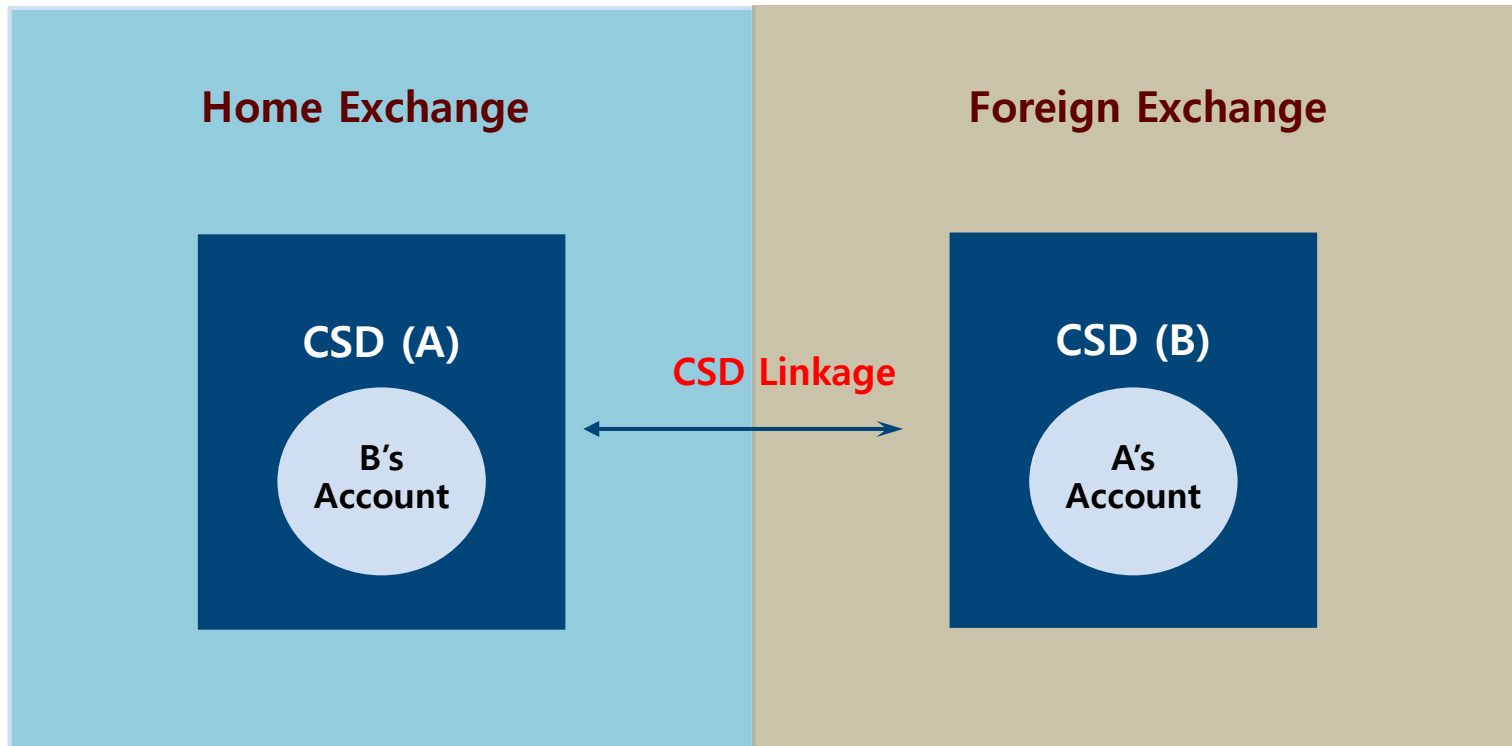
[Types of DRs]



[Markets connected by DRs]

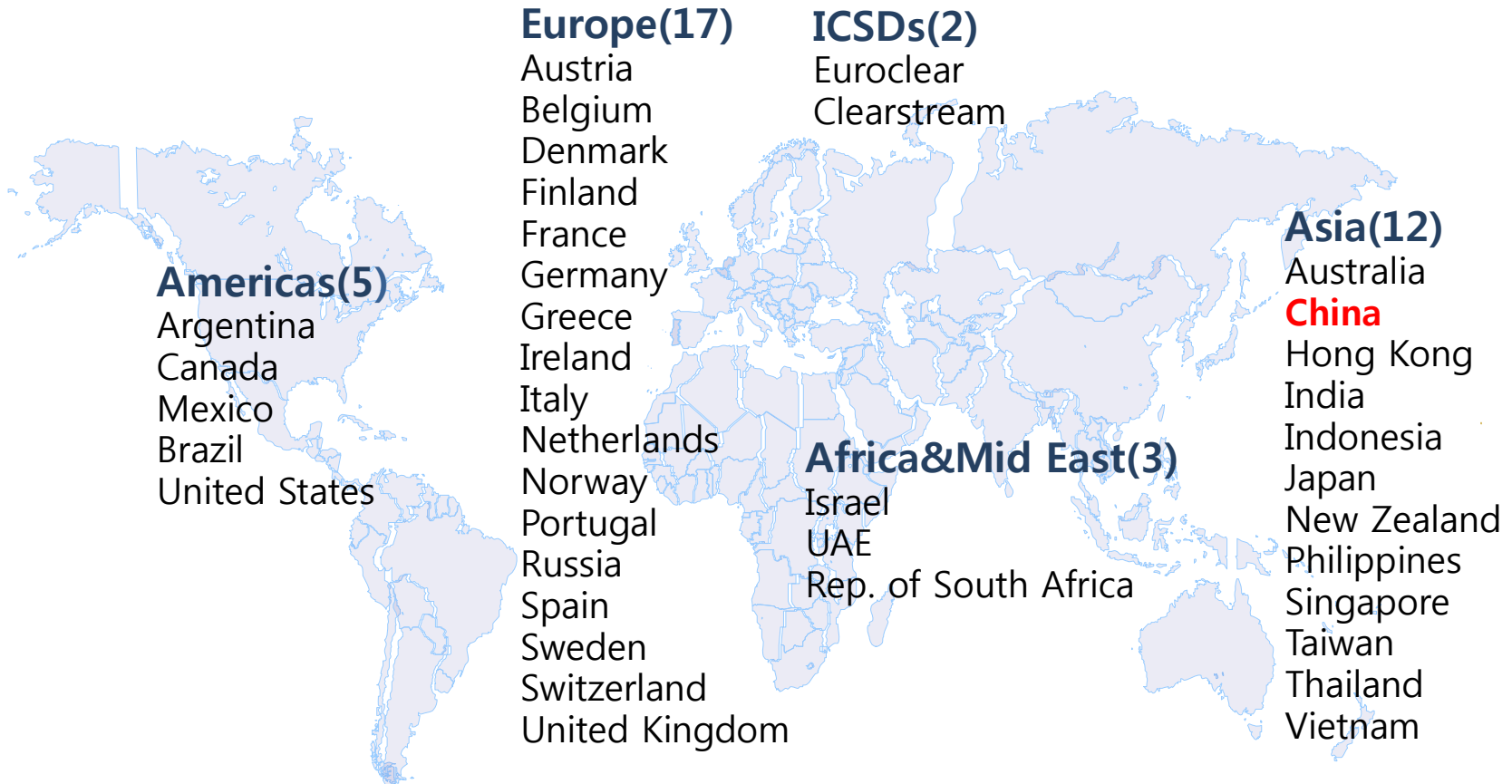


Example of Integration via Dual Listings across Borders



Example of Integration via Investments across Borders

| Korea Connecting to Global Markets via Foreign Investments



Thank you
