


VIRTUAL ASSETS – NEW REGULATED ASSET CLASS FOR INVESTORS?

The hot topic this week in Hong Kong is undoubtedly the JPEX incident which is still undergoing vigorous investigations by the authorities. Due to the recent Crypto exchange incidents including FTX and JPEX, investors are now becoming more alert and are looking for safer or “regulated” institutions to put their investments into. Earlier this year, SFC has announced new regulations on the trading of Virtual Assets in Hong Kong and one of the hot topics among brokers now is **“How do we go about starting our VA business?”**

In order to address this, we hosted a VA webinar on August 24, 2023, and invited 2 keynote speakers to share their experience with us. One of the speaker is Mr. Louie Lee, Director of ProSynergy, who is well versed in VA regulations and he shared with us the regulatory development on VA in Hong Kong.



Regulatory Development in Hong Kong

2017-2019	2020-2021	2022	2023
<ul style="list-style-type: none"> Warning of ICOs & halts ICOs to HK public Regulations on VA portfolio managers & VA trading platform Regulations on STOs 	<ul style="list-style-type: none"> Licensed first VA trading platform in 2020 Warns unregulated VA trading platform Licensed first VA Portfolio Manager in 2021 	<ul style="list-style-type: none"> VA-related activities (e.g. VA advisory, VA dealing etc.) Reminds risks associated with NFTs Policy stance on retail Central Bank Digital Currency, i.e. e-HKD Regulations on VA Futures ETFs for public offering in HK & authorized first VA Futures ETFs listed Genesis 2.0, explore tokenization of green bonds Policy Statement on Development of VA in Hong Kong LegCo passed AML (Amendment) Bill which introduces licensing for VA service providers Statement on risks regarding VA deposits, savings, earnings or staking services 	<ul style="list-style-type: none"> Consultation Paper and Conclusions on Proposed Regulatory Requirements for VATPs Circulars on implementation of new VATP licensing regime and transitional arrangements

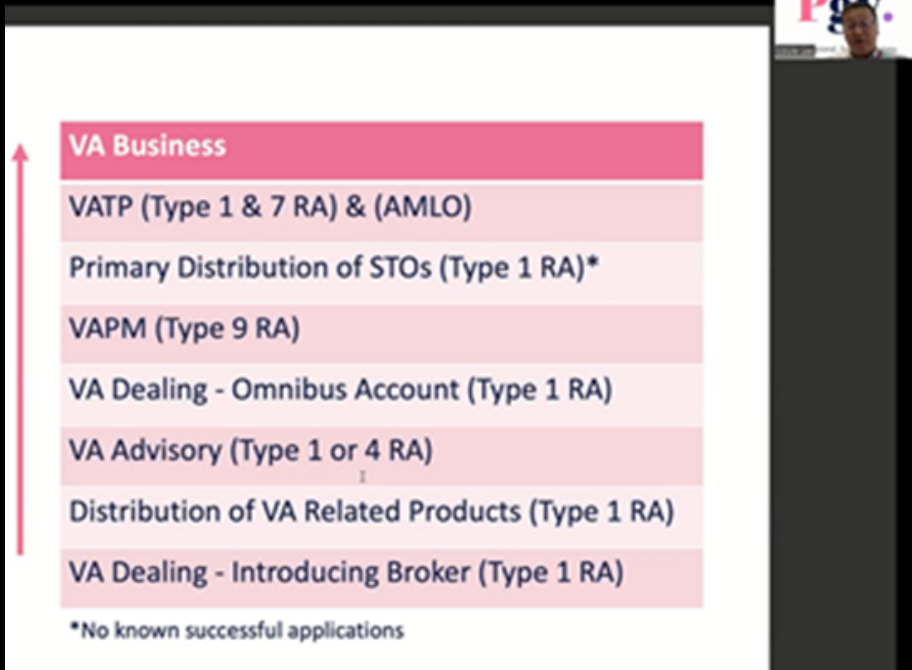
Topics covered in the Webinar:

- What are the new VA regulations?
- What type of licence should be applied for different business operations?

Legend: ● Issued by SFC, ● Issued by HKMA, ● Issued by other HK government bodies

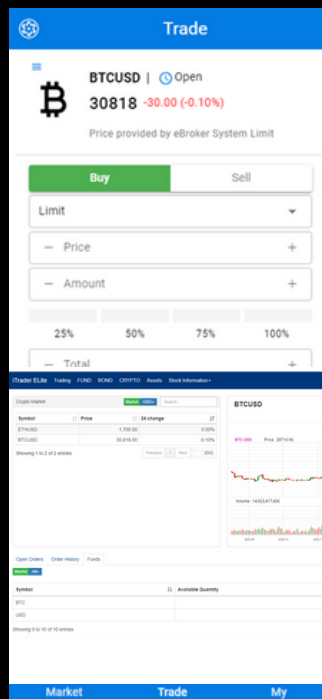
Mr Lee also explained on the different licenses needed for different business operations. All in all, it has been a very fruitful Webinar and over 30 participants joined.





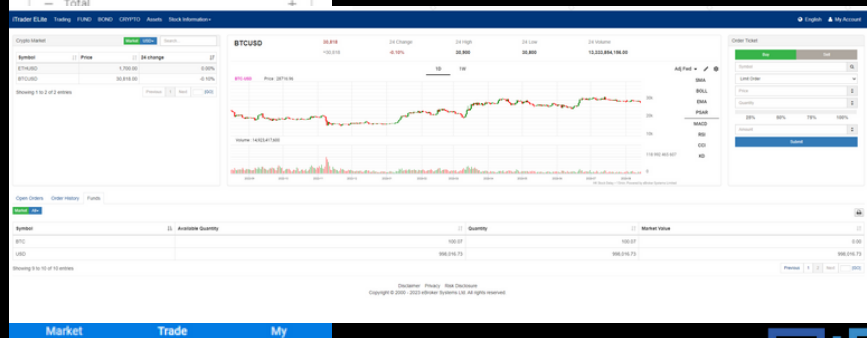
On the technical front, eBroker's OMS supports this new asset class Virtual Asset and we are already doing simulated test orders and trades via the sandboxes of the two licensed VA exchanges in Hong Kong, namely OSL and Hashkey. OMS is enhanced so that Investors will be able to see real-time market data and place orders via different interfaces, including Mobile App Wealto and Web interface iTrader eLite.

Supports multi-channel orders placement



Mobile App User Interface

Web Interface



For more information, please call your Account Manager or send email to marketing@ebroket.net
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