

## SECTION 2: QUESTIONS FOR RESPONSE

Please indicate your views by providing comments as appropriate. Where there is insufficient space, please use additional sheets of paper as necessary.

### HKEx's Proposal:

- HKEx is proposing an after-hours trading session for the futures market (T+1 Session). The opening time of the T+1 Session will be 30 minutes after the close of the regular trading session (T Session), i.e. 4:45 p.m. for Hang Seng Index futures and H-shares Index futures and 5:30 p.m. for gold futures. The T+1 Session will end at 11:15 p.m.
- All trades transacted in the T+1 Session will be registered as T+1 Trades and will be cleared and settled on the following trading day.
- At the initial stage, Hang Seng Index futures, H-shares Index futures and gold futures will be traded in the T+1 Session. Other derivatives products might be considered at a later stage.
- HKEx will manage the risk of after hours trading through appropriate regular, ad-hoc and/or real time monitoring during the T+1 Session and via a new mandatory variation adjustment and margin call following the market open of each T Session and payable by 11:00 a.m.

### Questions

1. Do you agree with the proposal to introduce after-hours futures trading?

Yes, please state your views: \_\_\_\_\_

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\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

No, please specify your concerns and impact to you or to the market:

*It seems not many retail investors will trade during the T+1 session. Most of the sales persons do not really want to spend more time for tiny business. Also the company has to put additional costs for manpower. (Front & Back Office)*

2. Do you have any comments or concerns on:

a) the proposed trading arrangements?

The opening time of the T+1 session should be at least an hour after the close of T-session which allows more time for the post-trade activity and preparation work for the

b) the proposed clearing arrangements? next session.

N/A

c) the proposed risk management arrangements?

Even there will be no intra-day margin call from the exchange during T+1 session. For the company own risk control we will make margin call for our clients if there is huge fluctuation. But it is very difficult for clients to settle the margin call during the T+1 session.

d) the use of the Calculated Opening Price as the basis for the proposed mandatory variation adjustment and margin call?

N/A

3. Are there any other issues regarding the Proposal that HKEx should consider?

Consultation period is too short and consultation details are too complicated for retail investors to understand.