

香港期貨結算有限公司

(香港交易及結算所有限公司全資附屬公司)

HKFE CLEARING CORPORATION LIMITED

(A wholly-owned subsidiary of Hong Kong Exchanges and Clearing Limited)

通告 CIRCULAR

Subject: Risk Management Arrangements in respect of Easter Holidays and Ching Ming Festival – **Reminder**

Enquiry: 2211-6901

Reference is made to the circular dated 16 March 2018 (Ref No.: [CD/CDCRM/058/2018](#)) regarding risk management arrangements in respect of the forth-coming Easter Holidays and Ching Ming Festival. Participants are kindly reminded to take note of the following:

- The margin levels of HSCEI Dividend Point Index (“DHH”), HSI Dividend Point Index (“DHS”), USD/CNH (“CUS”) and CNH/USD (“UCN”) futures contracts will be increased temporarily¹ after the close of business of T session on **28 March 2018** as follows:

		<u>Client Margin</u>		<u>Clearing House Margin</u>
		<u>Initial</u>	<u>Maintenance</u>	
		<u>(HK\$)</u>	<u>(HK\$)</u>	<u>(HK\$)</u>
DHH	Current Level	2,380 per lot	1,904 per lot	1,790 per lot
	Temporarily Increased Level	2,460 per lot	1,968 per lot	1,850 per lot
DHS	Current Level	5,612 per lot	4,489 per lot	4,220 per lot
	Temporarily Increased Level	5,732 per lot	4,585 per lot	4,310 per lot
		<u>(RMB)</u>	<u>(RMB)</u>	<u>(RMB)</u>
CUS	Current Level	13,552 per lot	10,841 per lot	10,190 per lot
	Temporarily Increased Level	14,909 per lot	11,927 per lot	11,210 per lot

¹ The spread margin rates will remain unchanged during this period.

		<u>Client Margin</u>		<u>Clearing House Margin</u>
		<u>Initial</u>	<u>Maintenance</u>	
		<u>(USD)</u>	<u>(USD)</u>	<u>(USD)</u>
UCN	Current Level	985 per lot	788 per lot	741 per lot
	Temporarily Increased Level	1,077 per lot	861 per lot	810 per lot

The margin levels of DHH, DHS, CUS and UCN futures contracts will be restored to the current levels after the close of business on 29 March 2018.

The margin levels of Hang Seng Index (“HSI”), Mini-Hang Seng Index (“MHI”), Hang Seng China Enterprises Index (“HHI”) and Mini-Hang Seng China Enterprises Index (“MCH”) futures contracts will remain unchanged. For avoidance of doubt, the current margin levels of HSI, MHI, HHI and MCH are restated below:

		<u>(HK\$)</u>	<u>(HK\$)</u>	<u>(HK\$)</u>
HSI	Current Level	146,034 per lot	116,827 per lot	109,800 per lot
MHI	Current Level	29,206 per lot	23,364 per lot	21,960 per lot
HHI	Current Level	59,118 per lot	47,294 per lot	44,450 per lot
MCH	Current Level	11,823 per lot	9,458 per lot	8,890 per lot

- Mandatory intra-day variation adjustments on Clearing Participants in HSI, MHI, HHI, MCH, DHH, DHS, CUS and UCN markets will be made at around 3:00 p.m. on **29 March 2018** and **4 April 2018** respectively.

To assist Participants in better assessing the potential margin impacts, the Clearing House has made available a simulated Risk Parameter File (“Simulated RPF”) on the HKEX website for Participants’ margin estimation purpose. This Simulated RPF is prepared based on the settlement prices of 21 March 2018 and the temporarily increased margin levels. Participants may make use of the simulated RPF to estimate the clearing house margin requirements under the temporarily increased margin levels for their portfolios as well as the estimated funding requirements thereof. Participants should note that the simulated RPF is for reference only and does not intend to replace any daily RPF which are available at the end of each business day for the calculation of

the actual day-end margin requirements.

For the purpose of the Capital-Based Position Limit (CBPL) assessment and the necessary additional margin calculation on the trading day prior to the holiday period, the normal margin rates instead of the temporarily increased holiday margin rates will be applied. In this regard, the Clearing House will disseminate the tailor-made risk parameter file carrying the normal margin rates (“Normal Margin RPF”) via its website after the close of business on 28 March 2018 to assist participants in monitoring their CBPL.

The “Simulated RPF” and the “Normal Margin RPF” as mentioned above can be downloaded from the HKEX website with the hyperlink stated below:

http://www.hkex.com.hk/-/media/HKEX-Market/Services/Clearing/Listed-Derivatives/Risk-Management/Reports-and-Data-Download/Simulated-RPF-for-Holiday-Margin/holidayrpf_mar18.zip

Please ensure your staffs are fully aware of both the temporary increase in the margin levels and the mandatory intra-day variation adjustments and make necessary arrangement with your designated bank. You are also strongly advised to give advanced notice to your clients regarding these arrangements where appropriate and ensure adequate margin deposits from your clients are maintained during the holiday period.

The Clearing House considers it appropriate to remind you the importance of having proper arrangement in place before and after the holiday period as those days are normal settlement days. In case of any key staffs on vacation before and after the holiday period, please ensure your backup staffs are familiar with the operational and monitoring procedures to adequately monitor your exposure and fulfill the payment obligations to the Clearing House on time. Any failure in meeting the settlement timelines is an event of default under HKCC Rule 509. Please refer to the circular issued on 26 January 2018 (Ref: [CD/CDCRM/022/2018](#)) for more details on the payment obligations of the Participant and the consequence of the delay or failure in meeting the obligations.

For and on behalf of
HKFE Clearing Corporation Limited

Sit Ka Kit
Authorized Signatory