

香港期貨交易所有限公司

(香港交易及結算所有限公司全資附屬公司)

HONG KONG FUTURES EXCHANGE LIMITED

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

通告 CIRCULAR

Subject: Trading Arrangements for Additional RMB Currency Futures and Existing USD/CNH Futures

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Reference is made to the circular dated 19 April 2016 (ref. [MKD/FIC/003/16](#)) regarding the introduction of Additional RMB Currency Futures, subject to regulatory approval. Exchange Participants (Participants) are reminded to prepare for the following trading arrangements, which will be effective from the launch date of Additional RMB Currency Futures. The target launch date of Additional RMB Currency Futures is Monday 30 May 2016 ("Commencement Date").

Please note the further product details and trading arrangements on Additional RMB Currency Futures and some related changes on the existing USD/CNH Futures as follows:

Position Limits and Large Open Positions (subject to regulatory approval)

The position limits and large open positions are as follows:

Additional RMB Currency Futures

(i.e. cash-settled EUR/CNH Futures, AUD/CNH Futures, JPY/CNH Futures and CNH/USD Futures)

	EUR/CNH Futures	JPY/CNH Futures	AUD/CNH Futures
Position Limits	12,000 net contracts in all Contract Months combined		
Large Open Positions	500 open contracts, in any one Contract Month		

	CNH/USD Futures
Position Limits	For USD/CNH Futures Contract and CNH/USD Futures Contract combined, a net position of 8,000 contracts of USD/CNH Futures Contract in all Contract Months combined. For this purpose, the position of one short CNH/USD Futures Contract will have a value of 0.5 of one long USD/CNH Futures Contract and the position of one long CNH/USD Futures Contract will have a value of -0.5 of one long USD/CNH Futures Contract. The position for CNH/USD Futures Contract shall not at any time exceed 16,000 net long or short contracts in all Contract Months combined
Large Open Positions	500 open contracts, in any one Contract Month

Existing USD/CNH Futures

	USD/CNH Futures
Position Limits	For USD/CNH Futures Contract and CNH/USD Futures Contract combined, a net position of 8,000 contracts of USD/CNH Futures Contract in all Contract Months combined. For this purpose, the position of one short CNH/USD Futures Contract will have a value of 0.5 of one long USD/CNH Futures Contract and the position of one long CNH/USD Futures Contract will have a value of -0.5 of one long USD/CNH Futures Contract. The position for the Spot Month USD/CNH Futures Contract during the five Hong Kong Business Days up to and including the Last Trading Day shall not exceed 2,000 open contracts
Large Open Positions	500 open contracts, in any one Contract Month(Same as existing level)

Trading Arrangements (subject to regulatory approval)

Pre-Launch Arrangements

To facilitate market participants in trading and clearing of the Additional RMB Currency Futures, the following pre-launch arrangements will be in place on Friday 27 May 2016 (i.e. one business day before the Commencement Date):

- Trading codes of the Additional RMB Currency Futures will be displayed on HKATS, but not yet tradable on that day; and
- Information relating to the Additional RMB Currency Futures will be generated in the risk parameter files, clearing and open interest reports.

Trading Month Arrangement at Launch

On Commencement Date, the following contract months will be available for trading:

- EUR/CNH, JPY/CNH and AUD/CNH Futures: June, July, September and December 2016
- CNH/USD Futures: June, July, August, September, December 2016, and March, June and September 2017

Block Trade Permissible Price Range

A permissible price range will be set for all RMB Currency Futures, including existing USD/CNH Futures. The price at which a block trade is executed must be fair and reasonable, and the permissible price range is determined in the following manners:

- When the executed price is at or within the range of highest traded price, lowest traded price, bid and ask price of the contract; or
- When the executed price is within the following price range to both sides of a reference price obtained through prevailing market prices, or if necessary, determined as the theoretical values based on the prevailing underlying values:

Contracts	Price Range
RMB Currency Futures (USD/CNH Futures, EUR/CNH Futures, AUD/CNH Futures, JPY/CNH Futures and CNH/USD Futures)	3%

Waivers of Exchange Fees

The Exchange Fees of the Additional RMB Currency Futures shall be waived for all HKFE Participants and their clients during the period from the Commencement Date to 30 November 2016, both dates inclusive, excluding the after-hours trading session on 30 November 2016. Participants are requested to inform their clients of the waiver of Exchange Fees.

Julien Martin
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This circular has been issued in the English language with a separate Chinese language translation. If there is any conflict in the circulars between the meaning of Chinese words or terms in the Chinese language version and English words in the English language version, the meaning of the English words shall prevail.