

HKEx Information Services Limited

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

12 March 2012
Ref: MDD/12/340

By Email
(enclosures by email only)

To: Derivatives Market Data Vendors and End Users (collectively "IVs")

- (1) **PRS and PRS Plus Capacity Upgrade 2012; and**
(2) **After-Hours Futures Trading**

Further to the Vendor Seminar held on 19 December 2011, we would like to provide herewith more details on the implementation of the subject HKEx initiatives.

PRS and PRS Plus Capacity Upgrade 2012

In light of the projected activities of the derivatives market for 2012, the PRS and PRS Plus message throughput will be increased as stated in the table below to match the anticipated growth of data volume of quotations and trading information.

Datafeed	PRS Message Rate	Bandwidth Required
PRS	9,000 per second	5 Mbps
PRS Plus	11,000 per second	7 Mbps

Please note the project schedule as set out in the table below and plan accordingly for any system upgrades or modifications as necessary. Direct connection IVs are required to demonstrate the capability of their systems of handling the increased message throughput in the Market Rehearsals scheduled for 19 May 2012.

Vendor Activities	Target Completion Date
Submission of duly signed SDNet form for line bandwidth upgrade	by 30 March 2012
Market Rehearsal	19 May 2012
Production Release	June 2012

Enclosed please find the SDNet Line Service Application form for your action. Please kindly submit the duly signed form (original copy) by mail to us on or before 30 March 2012 (Friday). For the bandwidth upgrade charges, please refer to paragraph 5 of the Notes on Line Service Application appended to the SDNet Line Service Application Form.

After-Hours Futures Trading (AHFT)

HKEx will introduce an after-hours trading session (T+1 Session) for the futures market after the close of the regular trading session (T Session). The T+1 Session will open at 5:00 p.m. and end at 11:00 p.m. At the initial stage, Hang Seng Index futures, H-shares Index futures and gold futures will be available for trading in the T+1 Session. Other derivatives products might be considered at a later stage.

12 March 2012
Ref: MDD/12/340

By Email
(enclosures by email only)

- 2 -

Tentatively, AHFT will be introduced in the second half of 2012 subject to the approval of the necessary rule amendments by the Securities and Futures Commission and market readiness.

PRS and PRS Plus will be enhanced to provide AHFT information. Please find enclosed the Transmission Specifications of PRS and PRS Plus (“the Specifications”) that have been revised to reflect the changes in data transmission upon the introduction of AHFT. Direct connection IVs please study the Specifications carefully to assess the impact on your systems and applications, and plan for your system enhancements to cater for AHFT.

The tentative high level project schedule of AHFT concerning IVs is set out below for information. Detailed schedule will be provided in due course.

Activities	Schedule
HKEx to provide AHFT canned data to direct connection IVs	Q2 2012
Market Rehearsals	Q3 2012
Launch of AHFT	To be announced

We would like to remind you that information vendors play a crucial role in the provision of trading information to the market. You are highly recommended to plan your system enhancement according to our project schedule so as to get ready for the dissemination of trading data of AHFT upon its launch. Please advise us of your plan by completing and returning the reply slip as per Enclosure 3 on or before 30 April 2012.

Lastly, please note that HKEx has released a designated AHFT web corner where relevant reference materials, including an Information Paper (as per Enclosure 4) that illustrates detailed AHFT business and operating model, are centrally posted. The web corner is accessible at http://www.hkex.com.hk/eng/market/dv_tradfinfo/ahft.htm.

Indirect Connection IVs are advised to consult their feed providing vendors regarding technical implications or testing arrangement on their feeds for the capacity upgrade and introduction of AHFT.

Should you have any queries, please feel free to contact our Adam Kou at (852) 2840 3498, Evan Chan at (852) 2840 3058 or Elvis You at (852) 2840 3491.

Yours sincerely,

Karen Lam
Assistant Vice President
Vendor Support & Data Management

Encl. 1) SDNet line service application form; 2) PRS Transmission Specification version 3.2.7; 3) PRS Plus Transmission Specification version 1.06 and 4) Reply Slip(AHFT)