

Shenzhen-Hong Kong Stock Connect Quarterly Return on Trading Composition (Form TCS)

— Explanatory Notes —

The purpose of Form TCS is to gather data on the composition by investor type of Exchange Participants' ("EPs") trading in value terms through the northbound trading link of the Shenzhen-Hong Kong Stock Connect Programme ("Northbound Trading"). *China Connect EPs ("CCEPs")* are required to complete and submit this form to the SEHK on a quarterly basis. Information collection through this form is made pursuant to **Rule 1441** in the SEHK Trading Rules.

Submission channel and deadline

1. The MS Excel template of this form can be downloaded from HKEX mutual market web corner under "Forms, Checklists and Procedures" – ["Quarterly Return on Trading Composition"](#).
2. Submit the completed form through the [Electronic Communication Platform \(ECP\)](#) of HKEX. The file submitted must be a *Comma-separated Values (CSV)* file generated by the MS Excel template (see point 11 below).
3. The completed form should be submitted *as soon as possible within the month* immediately following the end of the quarter ("Reporting Quarter").

How to fill in

4. Before opening the MS Excel template, make sure that the *macro security setting of your MS Excel application* is at the recommended level so that the macro embedded in the template can be activated (see [Instructions for the Use of MS Excel Template](#)).
5. Trading data input in this form should be based on the *total value (RMB) of the Northbound Trading* of your company conducted as principal or on behalf of clients during the Reporting Quarter.
6. Answer *every question in the yellow cells, where applicable*. If hard data is not available, best estimates are also acceptable.
7. Incorporate the following (if any) into your trading composition, as required by questions in the form:
 - a) composition of transactions channelled from your *parent company or sister companies*, and
 - b) composition of transactions channelled from *TTEPs* who are EPs defined in Rule 590(1).
8. Make sure that the questions are answered according to the data relationship specified. Data controls embedded in the template will check the *completeness and consistency* of the answers as far as possible.

9. You may save the MS Excel template and exit, and work on it again later before your final submission.
 - a) When you save this template, Excel may issue a **compatibility warning** about loss of functionality in the “Return” worksheet. Please **ignore** this warning and press the “Continue” button to save the file.
 - b) Excel may also suggest that the file can be saved in a newer format. Please keep the original format.

(Please see [Instructions for the Use of MS Excel Template](#) for details)
10. Definition of the terms in this form can be found in the [glossary](#).

Generation of CSV file for submission

11. After inputting all the required information into the template and getting ready for submission, press the “Extract to CSV” button on the top right-hand corner of the template. The embedded macro will then generate the CSV file ready for submission through the ECP.
 - a) The macro will check the **completeness and consistency of the data** before generating the CSV file. If any inconsistency or incompleteness of data is detected, the CSV file will not be generated.
 - b) The CSV file generated by the template will be named automatically according to the following convention:

S Z T C S _ X X X X X _ Y Y Y Y Q n . c s v

where **XXXXXX** is the 4-digit EP Firm ID with a leading zero, **YYYY** is the year of the reporting quarter and **n** is the single digit representing the reporting quarter (1, 2, 3 or 4). For example, the filename for a CCEP with Firm ID 9999 for the Quarterly Return of the 4th quarter of 2016 will be TCS_09999_2016Q4.csv. The file to be submitted **must** follow this naming convention.
 - c) The user can choose in which folder in the user’s computer to save the CSV file generated by the template.
12. To submit the CSV file, CCEPs should use the User ID belonging to the TO group (i.e. the same one used for downloading CBBC MCE trade file) to log into ECP.

Should you have enquiries about this form, please contact HKEX Trading Operations at (852) 2840 3933, or send your enquiries by fax to (852) 2523 6804 or by email to ecpadmin@hkex.com.hk.