

## Part B Consultation Questions

Please reply to the questions below that are raised in the Consultation Paper downloadable from the HKEX website at:

<http://www.hkex.com.hk/eng/newsconsul/mktconsul/Documents/cp2017063.pdf>

Please indicate your preference by checking the appropriate boxes.

Where there is insufficient space provided for your comments, please attach additional pages.

1. In light of the need to enhance Hong Kong's position as an international financial centre and satisfy market demand, do you support the extension of trading hours in the T+1 Session?

Yes

No

Please give reasons for your view.

Extending the hours to overlap with the US and the Europe markets allows investors to capture/mitigate overnight risk which currently is lacking.

2. Do you agree that the inclusion of equity index options in the T+1 Session could facilitate better risk management by brokers and investors?

Yes

No

Please give reasons for your view.

It is ideal but may only be feasible if there is ample liquidity in the T+1 futures for hedging against the options.

3. Do you agree that the proposed trading halt could mitigate / reduce risk to the market while maintaining a simple mechanism?

Yes

No

Please give reasons for your view.

This is because T+1 market tends to be less liquid compared to the T market and in a less liquid market scenario and period of volatility such as panic sell off or buying, the T+1 market may face huge and irrational swing. A trading halt to cool off is ideal in such situation.

4. Do you have any other comments on the proposed implementation roadmap?

No

5. Do you agree with the alignment of the T+1 Session Cutoff Time with the close of trading hours at 03:00?

Yes

No

Please provide reasons if you disagree with that.

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