

October 2018



**EQUITY DERIVATIVES  
MONTHLY UPDATE**

**HKEX**  
香港交易所

Market Development Division

Information for institutional and  
corporate investors' reference only

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## HKEX Pulse



## Futures and Options Information Application

### Apple Store



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### Xiaomi

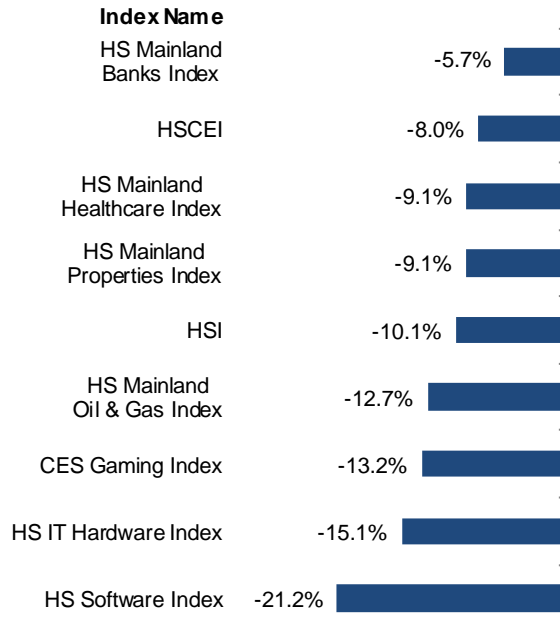


### 360

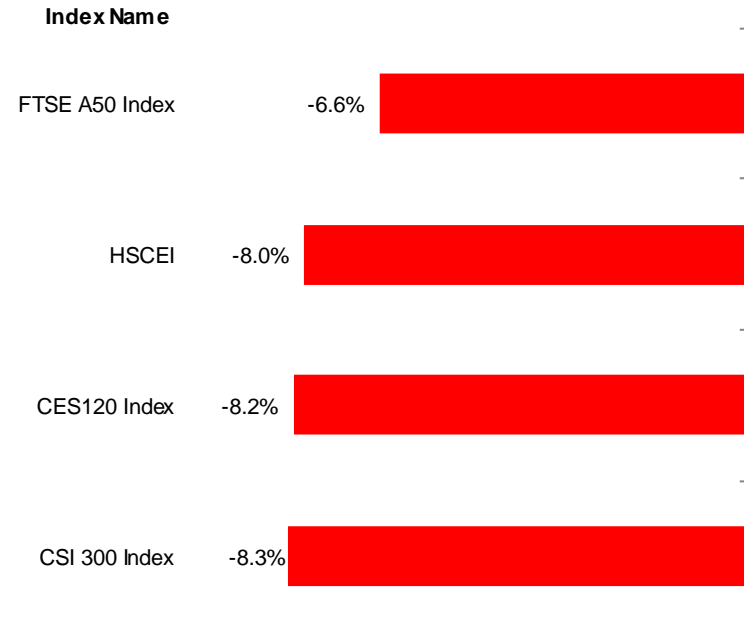


# Equity Indices Monthly Performance in October 2018

## Sector Indices vs HSI / HSCEI



## CES120 vs China Theme Indices



## Equity Index Futures Access Codes

Vendor	CES Gaming	HS Mainland Banks	HS Mainland Properties	HS Mainland Oil & Gas	HS Mainland Healthcare	HS Software	HS IT Hardware	CES 120	HSI	HSCEI
Bloomberg	CCSA	BMWA	PPTA	OGIA	HCEA	HISA	IHWA	CESA	HIA	HCA
Reuters	0#HGTI:	0#HMBI:	0#HMPI:	0#HMOI:	0#HMHI:	0#HSSI:	0#HITI:	0#HCHH:	0#HSI:	0#HCEI:
WIND	GTIF	MBIF	MPIF	MOIF	MCIF	SSIF	ITIF	CHHF	HSIF	HHIF
ET Net	GTI	MBI	MPI	MOI	MCI	SSI	ITI	CHH	HSI	HHI

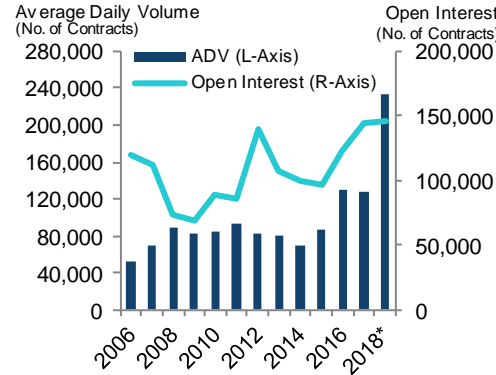


# Equity Index Futures & Options

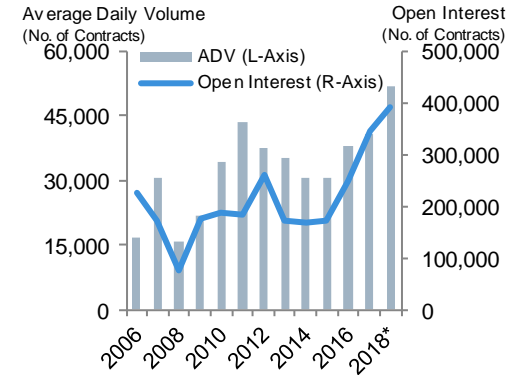
## Hang Seng Index (HSI) Futures & Options

HSI Products (2018 vs 2017)	ADV	OI*
<b>HSI Futures</b>	232,478 (+82%)	145,519 (+1%)
<b>Mini-HSI Futures</b>	98,552 (+112%)	16,841 (+71%)
<b>HSI Options</b>	51,811 (+26%)	393,556 (+14%)
<b>Mini-HSI Options</b>	9,288 (+40%)	21,160 (+132%)
<b>HSI Volatility Index Futures</b>	0.0 (-98%)	0 (-)
<b>HSI Dividend Point Index Futures</b>	63 (-15%)	13,049 (+44%)

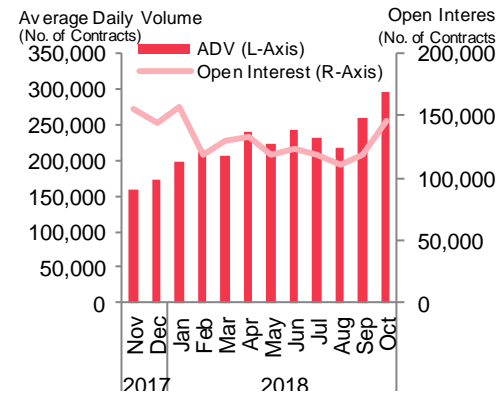
### HSI Futures (YoY)



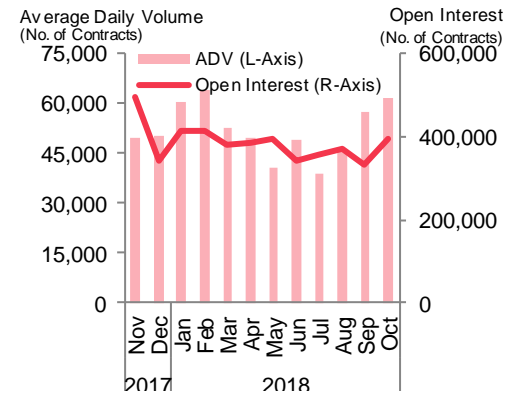
### HSI Options (YoY)



### HSI Futures (MoM)



### HSI Options (MoM)



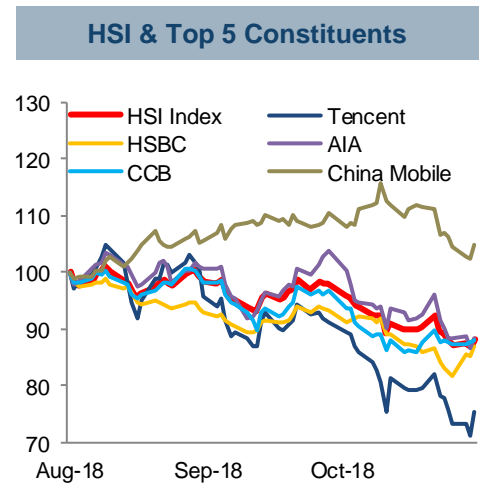
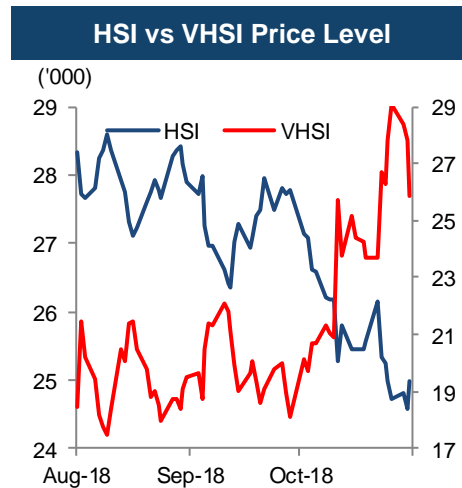
# Equity Index Futures & Options

## HSI Futures & Options

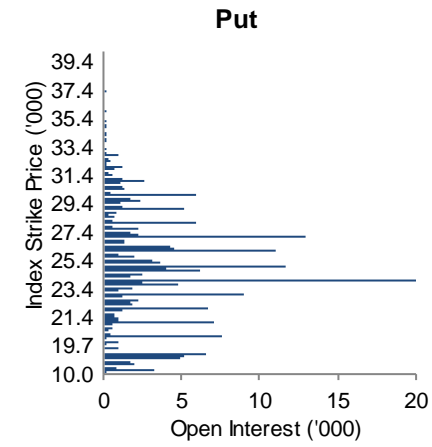
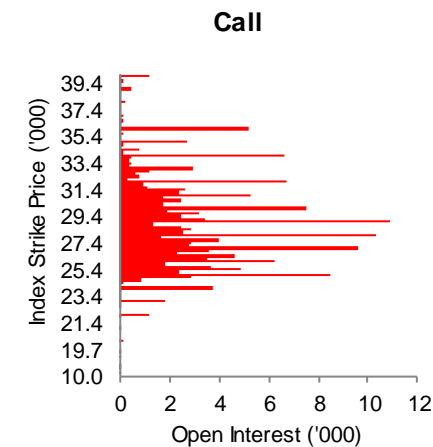
Hang Seng Index	
Index Description	Includes the largest and most liquid stocks listed in Hong Kong
Index Level	24,979.69 (As at 31 Oct 2018)
Index Volatility (30-Day Historical)	16.6
Index Avg. Day High-Low Range	382.39 (Oct 2018)
HSCFI Correlation (2018)	0.956

Hang Seng Index Futures	
Contract Multiplier	HK\$50
Notional Value (1 Contract)	HK\$1.25Mn (As at 31 Oct 2018)

Transaction Cost*	
Stamp Duty	N/A
Trading Fee	HK\$10 / contract
SFC Levy	HK\$0.54 / contract
Commission Rate	Negotiable
Margin as of 1 November 2018	HK\$75,650



### Distribution of HSI Index Options OI in Month-end

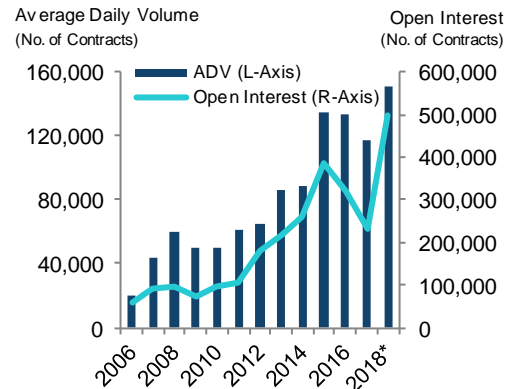


# Equity Index Futures & Options

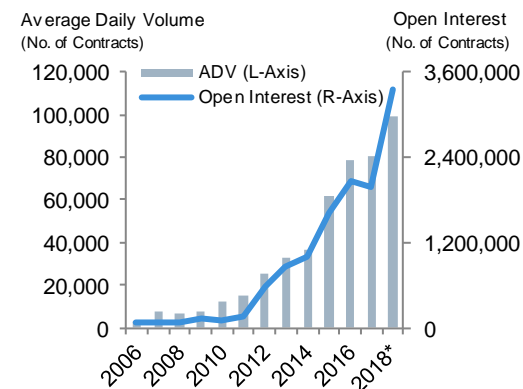
## Hang Seng China Enterprises Index (HSCEI) Futures & Options

HSCEI Products (2018 vs 2017)	ADV	OI*
<b>HSCEI Futures</b>	150,998 (+29%)	497,113 (+113%)
<b>Mini HSCEI Futures</b>	23,305 (+57%)	6,433 (+25%)
<b>HSCEI Options</b>	98,805 (+23%)	3,345,805 (+69%)
<b>Mini HSCEI Options</b>	2,504 (+64%)	12,073 (+134%)
<b>HSCEI Dividend Point Index Futures</b>	1,728 (-10%)	165,699 (+128%)

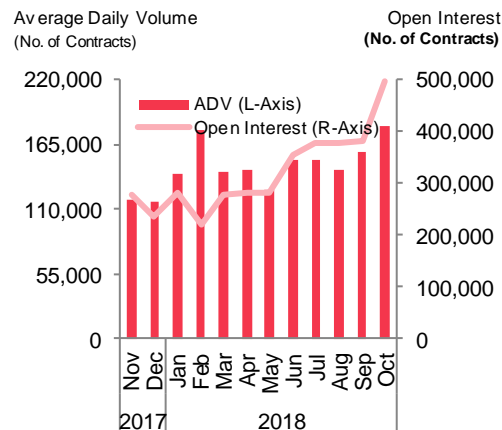
### HSCEI Futures (YoY)



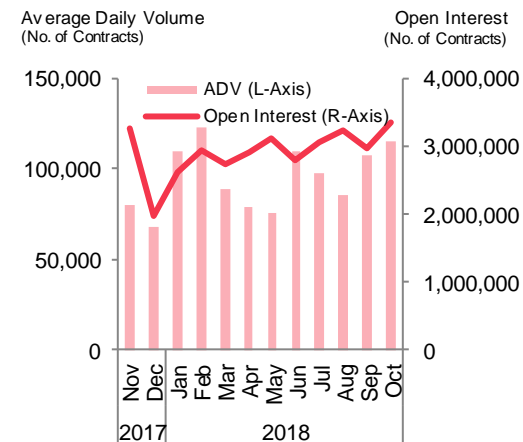
### HSCEI Options (YoY)



### HSCEI Futures (MoM)



### HSCEI Options (MoM)



# Equity Index Futures & Options

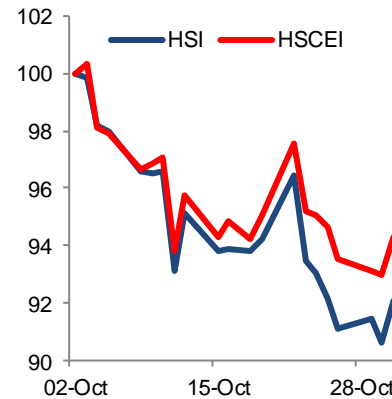
## HSCEI Futures & Options

HSCEI	
Index Description	Comprises the largest and most liquid H shares
Index Level	10,138.63 (As at 31 Oct 2018)
Index Volatility (30-Day Historical)	19.4
Index Avg. Day High-Low Range	180.06 (Oct 2018)
Correlation with HSI, CES120 (2018)	0.956, 0.867
Correlation with CSI300, FTSE A50 (2018)	0.782, 0.761

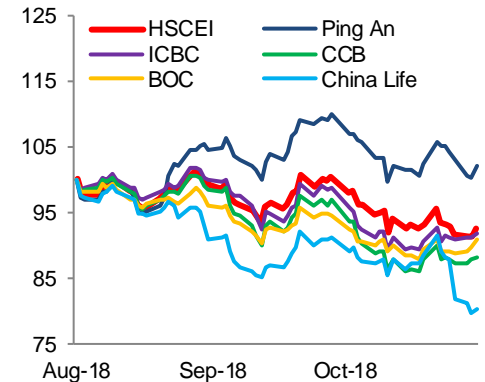
HSCEI Futures	
Contract Multiplier	HK\$50
Notional Value (1 Contract)	HK\$0.51Mn (As at 31 Oct 2018)

Transaction Cost*	
Stamp Duty	N/A
Trading Fee	HK\$3.5 / contract
SFC Levy	HK\$0.54 / contract
Commission Rate	Negotiable
Margin as of 1 November 2018	HK\$30,800

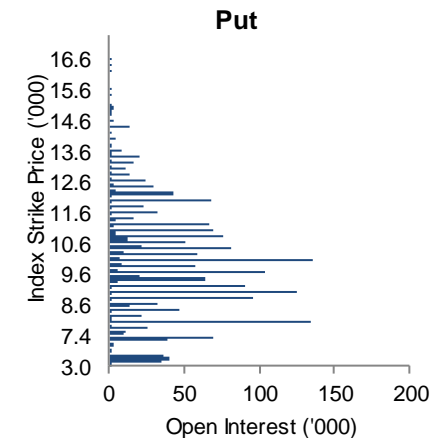
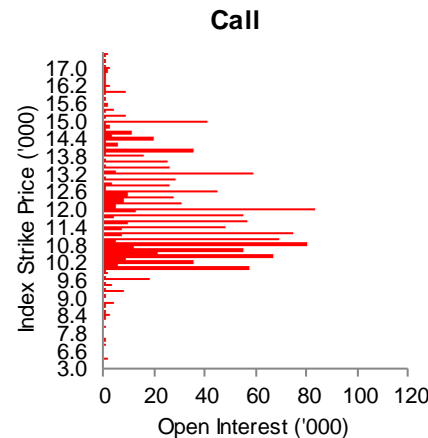
### HSI vs HSCEI



### HSCEI & Top 5 Constituents



### Distribution of HSCEI Index Options OI in Month-end

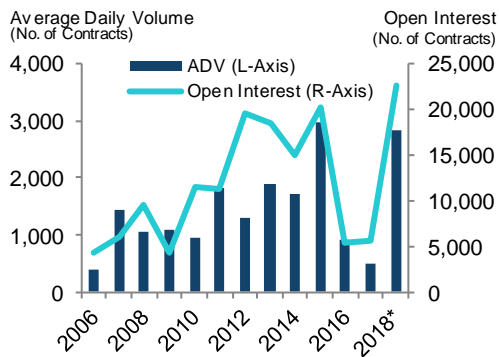


# Equity Futures & Options

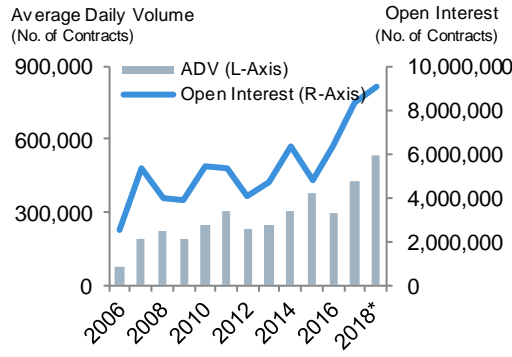
## Single Stock Futures & Options

Single Stock Derivatives ADV (2018 vs 2017)	ADV	OI*	No. of Single Stock Derivatives	
Stock Futures	2,830 (+475%)	22,535 (+306%)	Single Stock Futures	90
Stock Options	534,622 (+25%)	9,108,731 (+10%)	Single Stock Options	100

### Stock Futures (YoY)



### Stock Options (YoY)

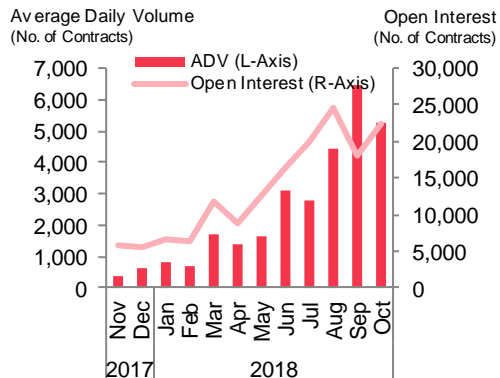


### Latest and Future Developments

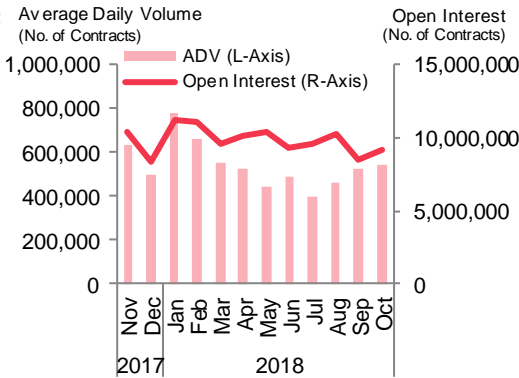
#### Stock Futures

- Products
  - 3 A-shares ETFs futures contracts
  - Total 90 stock futures contracts

### Stock Futures (MoM)



### Stock Options (MoM)



#### Stock Options

- Products
  - 3 A-shares ETFs options contracts
  - Total 100 stock options contracts
- Market Makers (MMs)
  - 3 types of market makers (PMM/ CQMM/ QRMM)
  - CQMM to provide 50 series continuous quotations



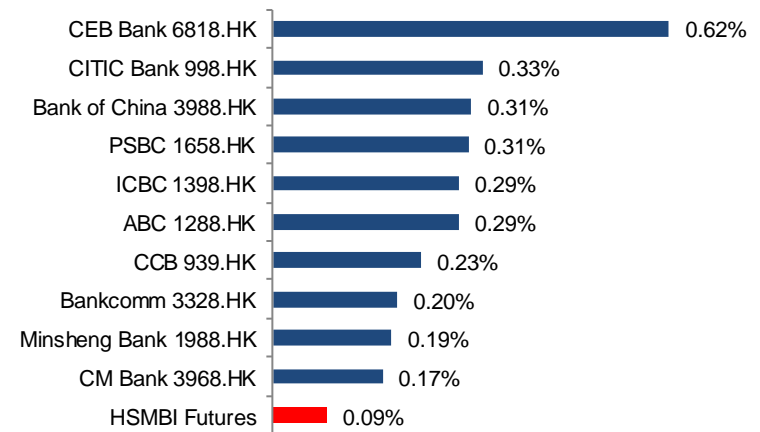


# Hang Seng Mainland Banks Index Futures Performance

## Hang Seng Mainland Banks Index (HSMBI)

<b>Index Description</b>	10 largest and most representative HKEX-listed mainland banks stocks
<b>Index Level</b>	2,867.35 (As at 31 October 2018)
<b>Index Volatility (30-Day Historical)</b>	21.4
<b>Index Avg. Day High-Low Range</b>	41.22 (October 2018)
<b>HSI Correlation (2018)</b>	0.887
<b>HSCI Correlation (2018)</b>	0.957

## 5-Min Avg. Bid-Ask Spreads (31 October 2018)



## Hang Seng Mainland Banks Index Futures

<b>Contract Multiplier</b>	HK\$50
<b>Notional Value (1 Contract)</b>	HK\$0.14Mn (As at 31 October 2018)
<b>Avg. Quote Size</b>	HK\$0.72Mn (5 Contracts)
<b>Avg. Bid-Ask Trading Spread</b>	2.4 index points (October 2018)
<b>Liquidity Providers</b>	CSC, Flow, IBG, IMC, Optiver, Tibra, Yue Kun

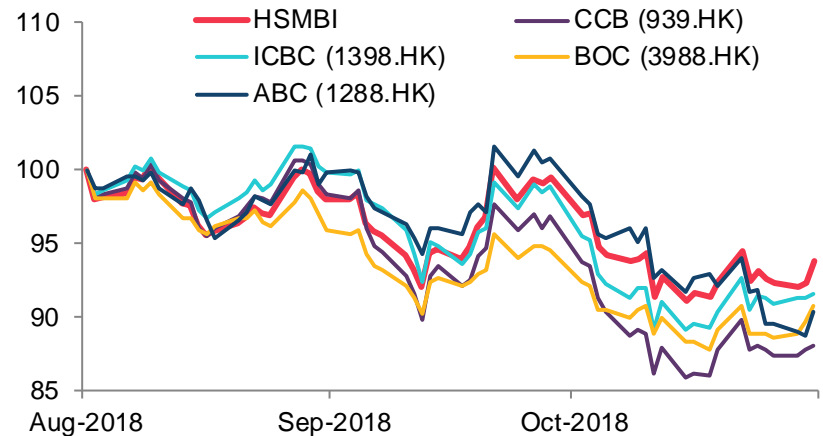
**1 HSMBI Futures have relatively tighter Bid-Ask Spreads**

## Transaction Cost\*

<b>Stamp Duty</b>	N/A
<b>Trading Fee</b>	HK\$2 / contract
<b>SFC Levy</b>	HK\$0.54 / contract
<b>Margin as of 1 November 2018</b>	HK\$7,140

**2 Futures contracts have relatively lower transaction costs**

## Index & Constituents 3-Month Performance (Rebased to 100)



**3 HSMBI Futures can be used for hedging**



Data Source: HKEX, HSIL, Bloomberg

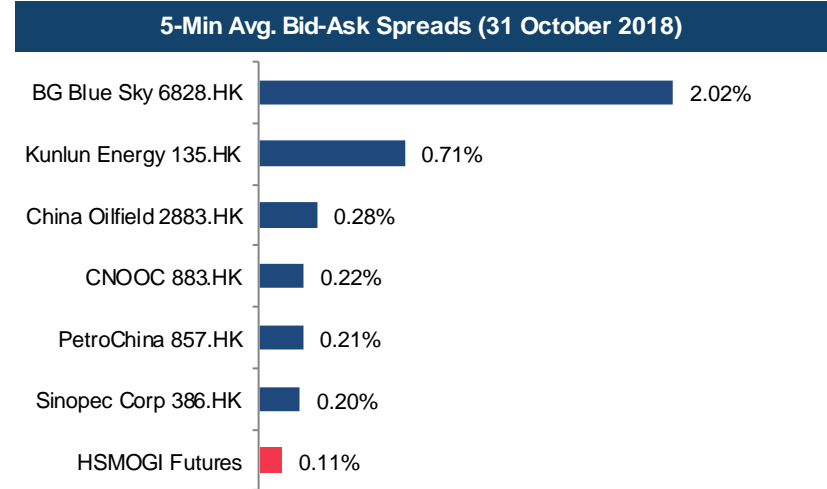
\* All calculations are in HKD and exclude commission fees

As at 31 October 2018

Information for reference only

# Hang Seng Mainland Oil & Gas Index Futures Performance

Hang Seng Mainland Oil & Gas Index (HSMOGI)	
Index Description	7 largest and most representative HKEX-listed mainland oil & gas stocks
Index Level	1,927.25 (As at 31 October 2018)
Index Volatility (30-Day Historical)	22.1
Index Avg. Day High-Low Range	36.42 (October 2018)
HSI Correlation (2018)	0.69
HSCI Correlation (2018)	0.693

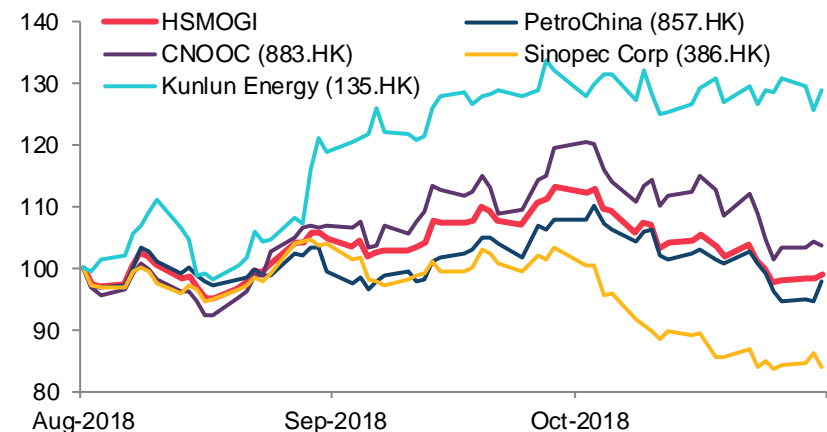


Hang Seng Mainland Oil & Gas Index Futures	
Contract Multiplier	HK\$50
Notional Value (1 Contract)	HK\$96K (As at 31 October 2018)
Avg. Quote Size	HK\$0.48Mn (5 Contracts)
Avg. Bid-Ask Trading Spread	2.4 index points (October 2018)
Liquidity Providers	Flow, IBG, IMC, Optiver, Tibra, Yue Kun

**1 HSMOGI Futures have relatively tighter Bid-Ask Spreads**

Transaction Cost*	
Stamp Duty	N/A
Trading Fee	HK\$2 / contract
SFC Levy	HK\$0.54 / contract
Margin as of 1 November 2018	HK\$6,050

**Index & Constituents 3-Month Performance (Rebased to 100)**



**2 Futures contracts have relatively lower transaction costs**

**3 HSMOGI Futures can be used for hedging**

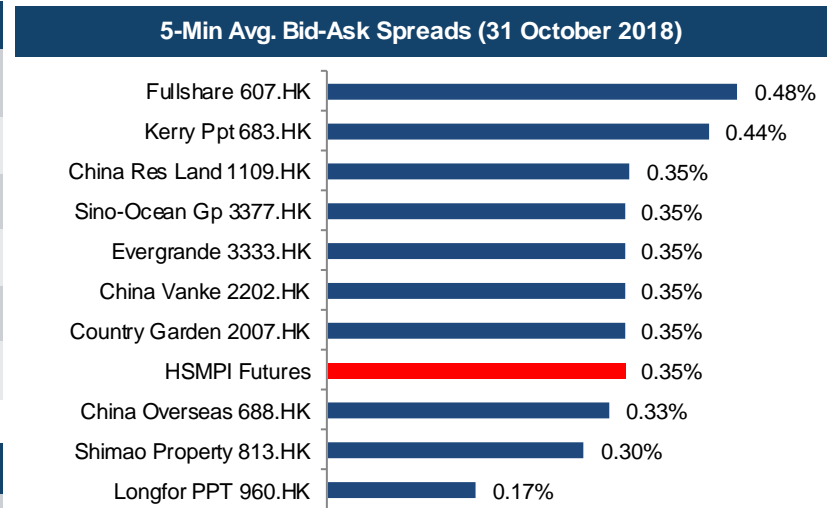


# Hang Seng Mainland Properties Index Futures Performance

Hang Seng Mainland Properties Index (HSMPI)	
Index Description	10 largest and most representative HKEX-listed mainland properties stocks
Index Level	5,198.72 (As at 31 October 2018)
Index Volatility (30-Day Historical)	37.0
Index Avg. Day High-Low Range	143.02 (October 2018)
HSI Correlation (2018)	0.759
HSCEI Correlation (2018)	0.746

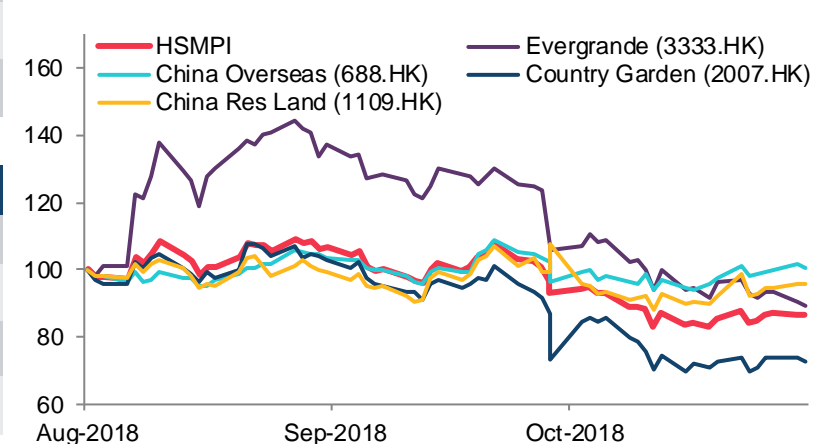
Hang Seng Mainland Properties Index Futures	
Contract Multiplier	HK\$50
Notional Value (1 Contract)	HK\$0.26Mn (As at 31 October 2018)
Avg. Quote Size	HK\$1.3Mn (5 Contracts)
Avg. Bid-Ask Trading Spread	5.1 index points (October 2018)
Liquidity Providers	Flow , IMC, Optiver

Transaction Cost*	
Stamp Duty	N/A
Trading Fee	HK\$2 / contract
SFC Levy	HK\$0.54 / contract
Margin as of 1 November 2018	HK\$26,600



**1 HSMPI Futures have relatively moderate Bid-Ask Spreads**

**Index & Constituents 3-Month Performance (Rebased to 100)**



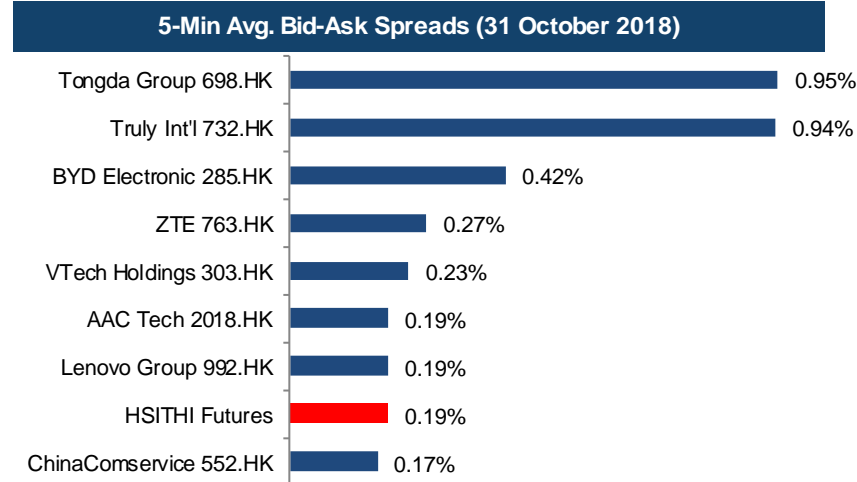
**2 Futures contracts have relatively lower transaction costs**

**3 HSMPI Futures can be used for hedging**



# Hang Seng IT Hardware Index Futures Performance

Hang Seng IT Hardware Index (HSITHI)	
Index Description	10 largest and most representative HKEX-listed IT hardware stocks
Index Level	2,705.63 (As at 31 October 2018)
Index Volatility (30-Day Historical)	25.8
Index Avg. Day High-Low Range	57.44 (October 2018)
HSI Correlation (2018)	0.736
HSCBI Correlation (2018)	0.679

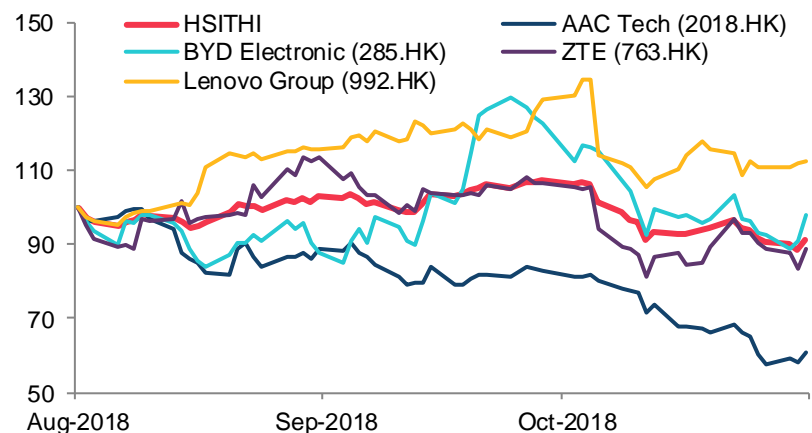


Hang Seng IT Hardware Index Futures	
Contract Multiplier	HK\$50
Notional Value (1 Contract)	HK\$0.14Mn (As at 31 October 2018)
Avg. Quote Size	HK\$0.68Mn (5 Contracts)
Avg. Bid-Ask Trading Spread	5.3 index points (October 2018)
Liquidity Providers	Flow

1 HSITHI Futures have relatively moderate Bid-Ask Spreads

Transaction Cost*	
Stamp Duty	N/A
Trading Fee	HK\$2 / contract
SFC Levy	HK\$0.54 / contract
Margin as of 1 November 2018	HK\$9,020

Index & Constituents 3-Month Performance (Rebased to 100)



2 Futures contracts have relatively lower transaction costs

3 HSITHI Futures can be used for hedging

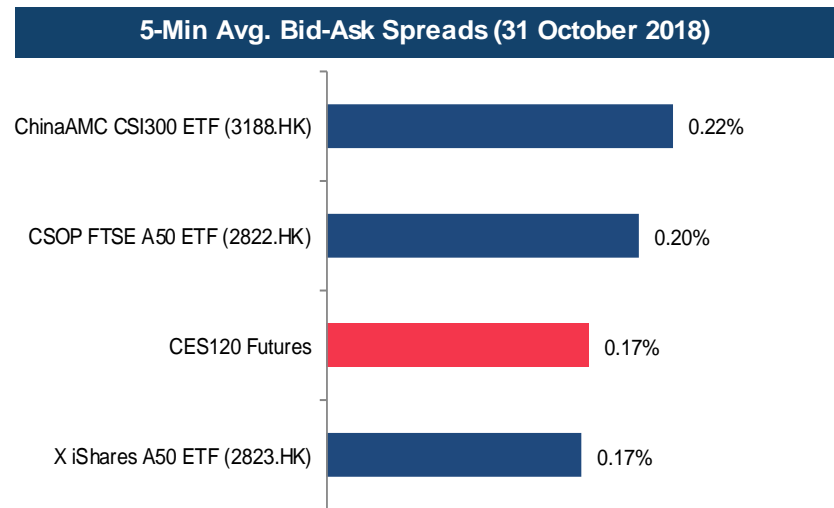


# CES120 Index Futures Performance

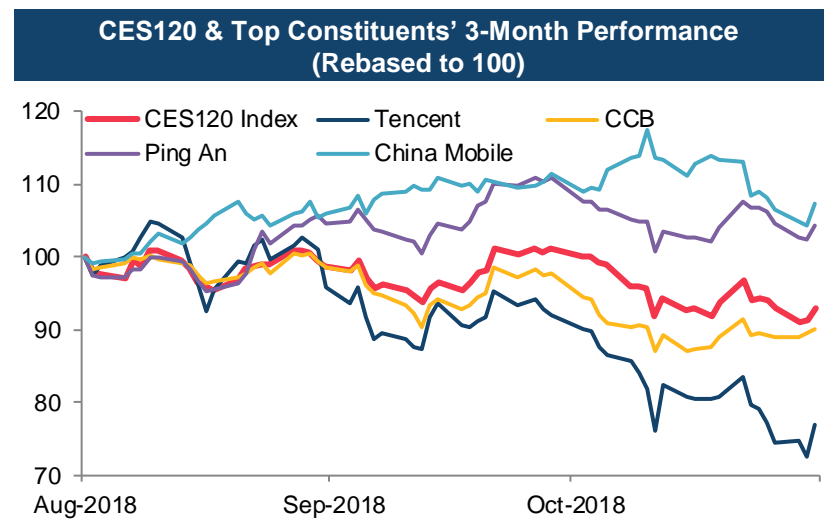
CES120 Index	
Index Description	80 A-Shares and 40 HK-listed Mainland China H-shares, P-chips, and red chips
Index Level	5,789.05 (As at 31 October 2018)
Index Volatility (30-Day Historical)	17.6
Index Avg. Day High-Low Range	104.68 (October 2018)
CSI300 Correlation (2018)	0.936
FTSE A50 Correlation (2018)	0.938

CES120 Index Futures	
Contract Multiplier	HK\$50
Notional Value (1 Contract)	HK\$0.29Mn (As at 31 October 2018)
Average Quote Size	HK\$1.45Mn (5 Contracts)
Average Bid-Ask Trading Spread	9.8 index points (October 2018)
Liquidity Providers	Flow, IMC, Tibra

Transaction Cost*	
Stamp Duty	N/A
Trading Fee	HK\$5 / contract
SFC Levy	HK\$0.54 / contract
Margin as of 1 November 2018	HK\$17,840



**1 CES120 Futures have relatively moderate Bid-Ask Spreads**



**3 CES120 Futures can be used to hedge A-share positions**

**2 Futures contracts have relatively lower transaction costs**



Data Source: HKEX, HSIL, Bloomberg  
 \* All calculations are in HKD and exclude commission fees  
 As at 31 October 2018

Information for reference only

# Sector Index and Sector Index Futures Access Codes

Hong Kong and International Information Vendors								
Information Vendor	Mainland Banks Index	Mainland Banks Index Futures	Mainland Properties Index	Mainland Properties Index Futures	Mainland Oil & Gas Index	Mainland Oil & Gas Index Futures	IT Hardware Index	IT Hardware Index Futures
AASTOCKS		221420		221425		221415		221435
Activ Financial	=0200700.HK	MBI/16K.HF	=0200800.HK	MPI/16K.HF	=0201000.HK	MOI/16K.HF	=0201100.HK	ITI/16K.HF
AFE	837451	870809	837451	870810	837451	870808	837451	870812
Bloomberg	HSMBI Index	BMWA Index	MSMPI Index	PPTA Index	HSMOGI Index	OGIA Index	HSITHI Index	IHWA Index
DB Power		MBI		MPI		MOI		ITI
ET Net	MBN	MBI	MPR	MPI	MOG	MOI	ITW	ITI
Infocast	HSMBI	MBI	MSMPI	MPI	MOGI	MOI	ITHI	ITI
QuotePower	SEHK.HHSM BI	P11223	SEHK.HHSM PI	P11224	SEHK.HHS MOGI	P11222	SEHK.HHSIT HI	P11226
Telequote		MBImy		MPImy		MOImy		ITImy

Mainland Information Vendors								
Information Vendor	Mainland Banks Index	Mainland Banks Index Futures	Mainland Properties Index	Mainland Properties Index Futures	Mainland Oil & Gas Index	Mainland Oil & Gas Index Futures	IT Hardware Index	IT Hardware Index Futures
East Money	HSMBI	MBI	HSMPI	MPI	HSMOGI	MOI	HSITHI	ITI
Hexin Flush Financial		MBIC		MPIC		MOIC		ITIC
Pobo Financial		MBI+Month+Year		MPI+Month+Year		MOI+Month+Year		ITI+Month+Year
Qianlong	999905	209	999902	209	999903	209	999906	209
Wind	HSMBI	MBIF+yyymm+HK	HSMPI	MPIF+yyymm+HK	HSMOGI	MOIF+yyymm+HK	HSITHI	ITIF+yyymm+HK



# CES120 Index and CES120 Index Futures Access Codes

Hong Kong and International Information Vendors		
Information Vendor	CES 120 Index	CES 120 Index Futures
Bloomberg Finance L.P.	CES120	CESA Index DES <GO>
Thomson Reuters	.HKCES120	0#HCHH:
AAStocks.com Limited	110056	221360
AFE Solutions Ltd.	837505	870800
DB Power Online Limited	CES120	CHH
ET Net Limited	CEC	CHH
Infocast Limited	CE120	CHH
Interactive Data Group	I:CES120	Fn:CHH\MYYDD
Marketprizm Hong Kong Limited	CES120	CHHmy
SIX Financial Information Ltd.	CES120	CHHmy
Telequote Data International Limited	CES120	CHHmy

Mainland Information Vendors		
Information Vendor	CES 120 Index	CES 120 Index Futures
Hithink RoyalFlush Information Network Ltd	CES120	CHHC
Shanghai DZH Limited	CES120	CHH+Month Code+Year Code
Shanghai Gildata Services Co Ltd	CES120	-
Shanghai Wind Information Co., Ltd	CES120	CHHF+yyymm+.HK
Zheng Zhou Esunny Information Technology Co, Ltd.	-	CHH
Shanghai Wenhua Financial Information Ltd	-	CHHmy
Shanghai Qianlong Advanced Technology Co Ltd	CES120	Page 209

