

January 2020



**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



Google Play



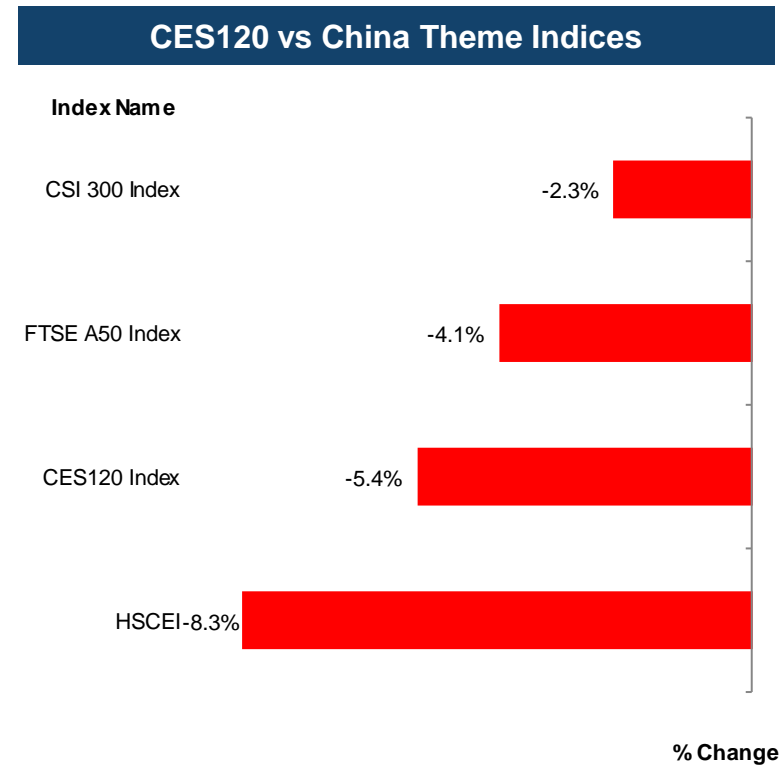
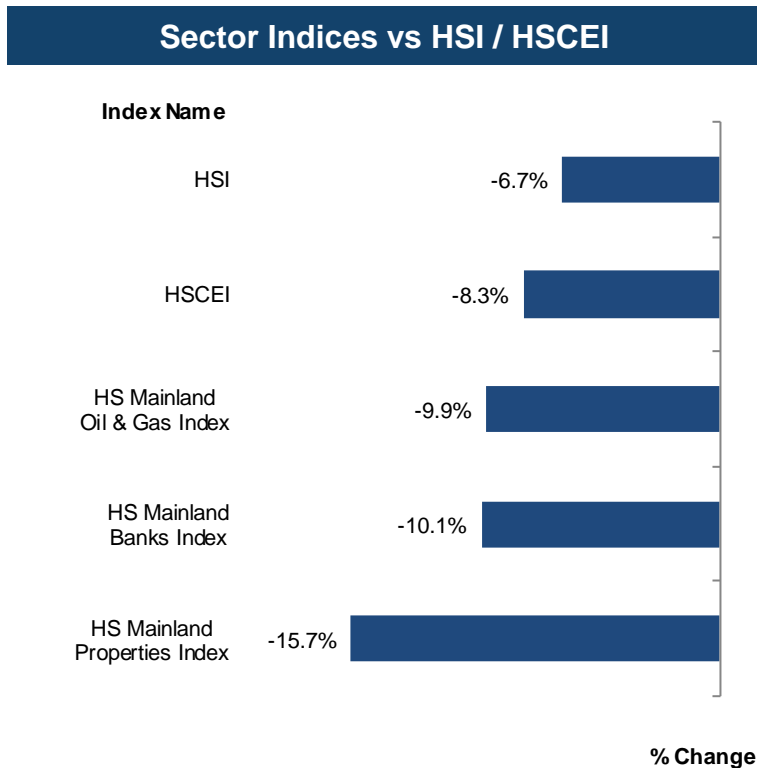
Xiaomi



360



Equity Indices Monthly Performance in January 2020



Equity Index Futures Access Codes

| Vendor | HS Mainland Banks | HS Mainland Properties | HS Mainland Oil & Gas | CES 120 | HSI | HSCEI |
|-----------|-------------------|------------------------|-----------------------|---------|--------|---------|
| Bloomberg | BMWA | PPTA | OGIA | CESA | HIA | HCA |
| Reuters | 0#HMBI: | 0#HMPI: | 0#HMOI: | 0#HCHH: | 0#HSI: | 0#HCEI: |
| WIND | MBIF | MPIF | MOIF | CHHF | HSIF | HHIF |
| ET Net | MBI | MPI | MOI | CHH | HSI | HHI |

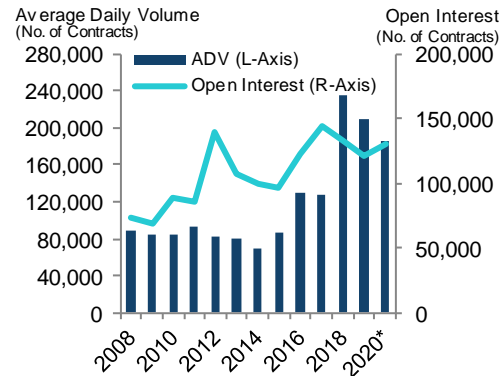


Equity Index Futures & Options

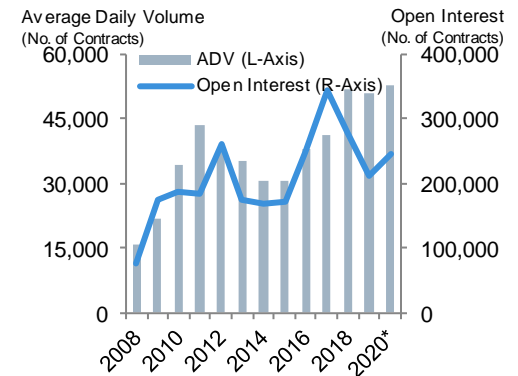
Hang Seng Index (HSI) Futures & Options

| HSI Products (2020 vs 2019) | ADV | OI* |
|---|----------------|----------------|
| HSI Futures | 186,425 (-11%) | 131,060 (+8%) |
| Mini-HSI Futures | 87,078 (-3%) | 11,490 (+8%) |
| HSI Options | 52,565 (+4%) | 246,408 (+17%) |
| Mini-HSI Options | 14,334 (+5%) | 22,606 (+26%) |
| HSI Volatility Index Futures | 3 (+200%) | 22 (+340%) |
| HSI Dividend Point Index Futures | 99 (+77%) | 2,430 (+28%) |

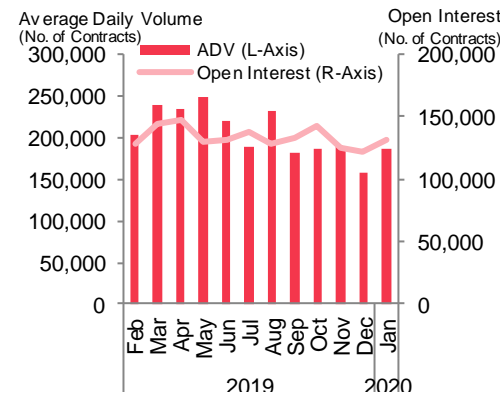
HSI Futures (YoY)



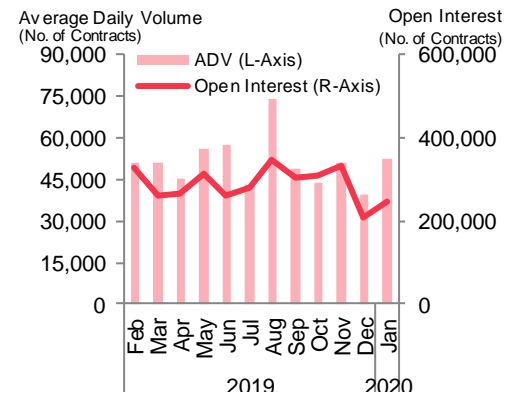
HSI Options (YoY)



HSI Futures (MoM)



HSI Options (MoM)



Data Source: HKEX

* OI compared to previous year-end
As at 31 January 2020

Information for reference only

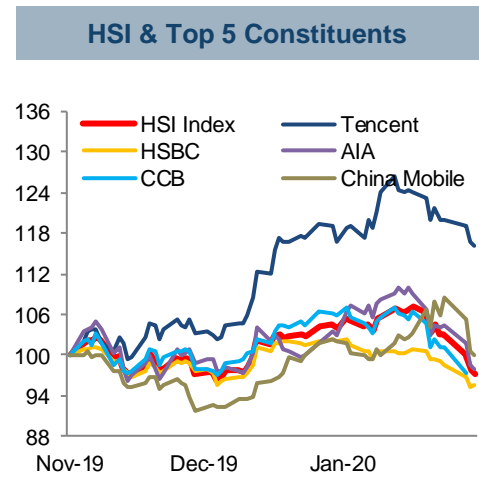
Equity Index Futures & Options

HSI Futures & Options

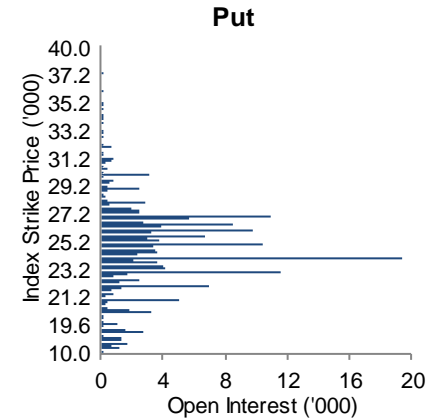
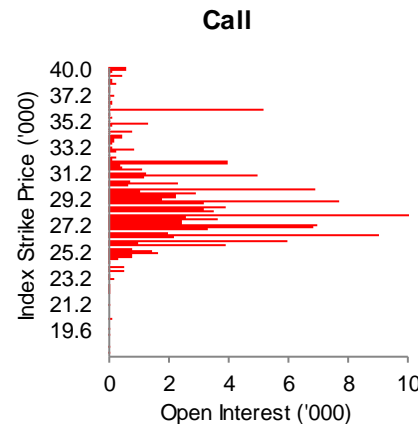
| Hang Seng Index | |
|--------------------------------------|---|
| Index Description | Includes the largest and most liquid stocks listed in Hong Kong |
| Index Level | 26,312.63 (As at 31 Jan 2020) |
| Index Volatility (30-Day Historical) | 18.0 |
| Index Avg. Day High-Low Range | 296.11 (Jan 2020) |
| HSCFI Correlation (2019) | 0.951 |

| Hang Seng Index Futures | |
|-----------------------------|--------------------------------|
| Contract Multiplier | HK\$50 |
| Notional Value (1 Contract) | HK\$1.32Mn (As at 31 Jan 2020) |

| Transaction Cost* | |
|--------------------------|---------------------|
| Stamp Duty | N/A |
| Trading Fee | HK\$10 / contract |
| SFC Levy | HK\$0.54 / contract |
| Commission Rate | Negotiable |
| Margin as of 02 Dec 2019 | HK\$79,350 |



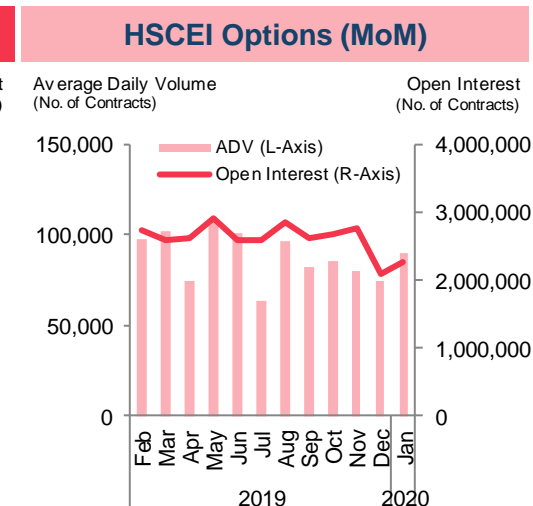
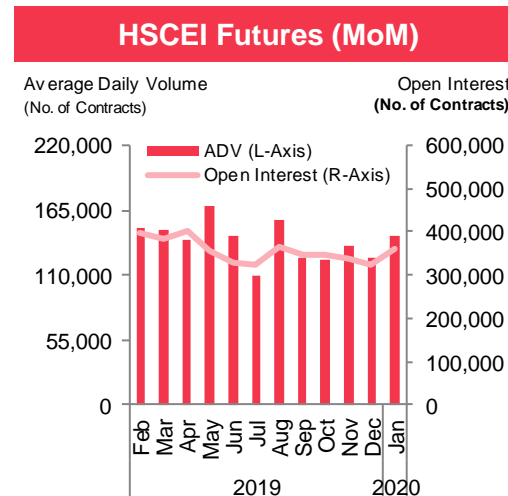
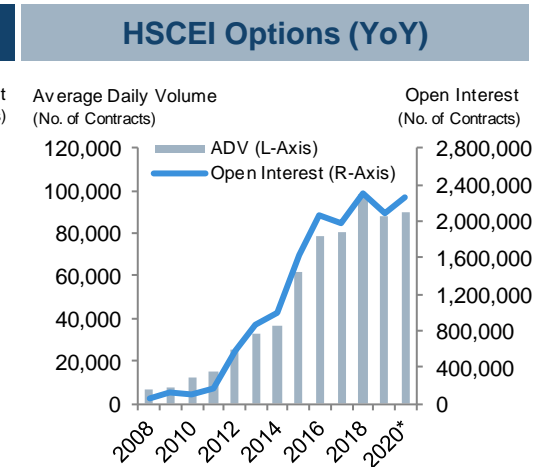
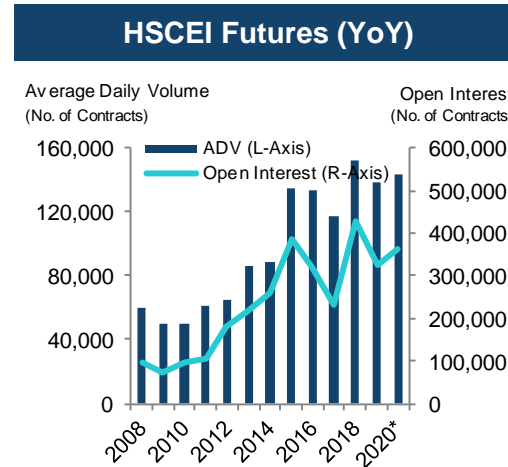
Distribution of HSI Index Options OI in Month-end



Equity Index Futures & Options

Hang Seng China Enterprises Index (HSCEI) Futures & Options

| HSCEI Products (2020 vs 2019) | ADV | OI* |
|------------------------------------|---------------|-----------------|
| HSCEI Futures | 143,877 (+4%) | 362,141 (+11%) |
| Mini HSCEI Futures | 12,746 (-15%) | 5,861 (+39%) |
| HSCEI Options | 89,986 (+3%) | 2,270,319 (+9%) |
| Mini HSCEI Options | 2,386 (+1%) | 13,023 (+2%) |
| HSCEI Dividend Point Index Futures | 3,420 (+58%) | 117,526 (+1%) |



Equity Index Futures & Options

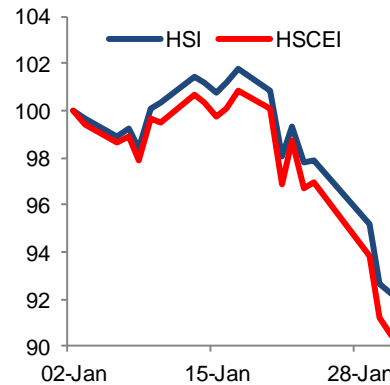
HSCEI Futures & Options

| HSCEI | |
|--|--|
| Index Description | Comprises the largest and most liquid H shares |
| Index Level | 10,240.51 (As at 31 Jan 2020) |
| Index Volatility (30-Day Historical) | 18.2 |
| Index Avg. Day High-Low Range | 135.55 (Jan 2020) |
| Correlation with HSI, CES120 (2019) | 0.951,0.899 |
| Correlation with CSI300, FTSE A50 (2019) | 0.744,0.765 |

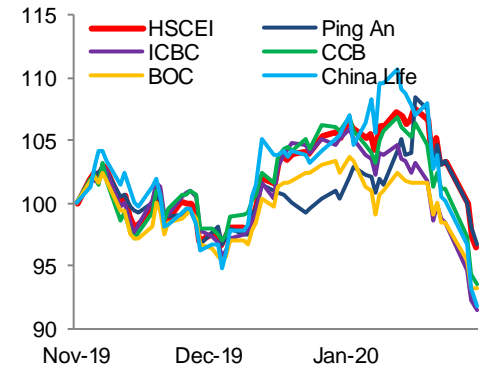
| HSCEI Futures | |
|-----------------------------|--------------------------------|
| Contract Multiplier | HK\$50 |
| Notional Value (1 Contract) | HK\$0.51Mn (As at 31 Jan 2020) |

| Transaction Cost* | |
|--------------------------|---------------------|
| Stamp Duty | N/A |
| Trading Fee | HK\$3.5 / contract |
| SFC Levy | HK\$0.54 / contract |
| Commission Rate | Negotiable |
| Margin as of 02 Dec 2019 | HK\$31,400 |

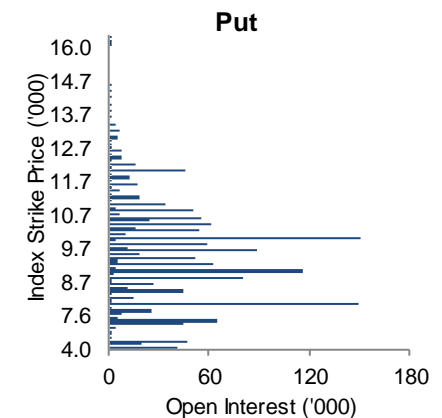
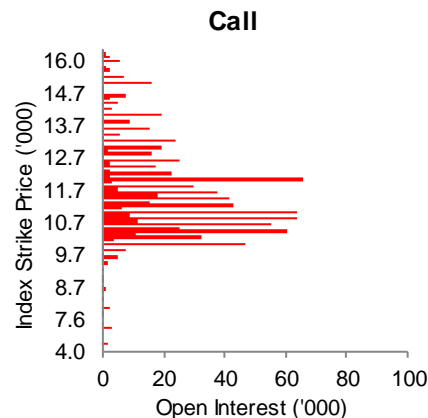
HSI vs HSCEI



HSCEI & Top 5 Constituents



Distribution of HSCEI Index Options OI in Month-end



Data Source: HKEX, Bloomberg

* All calculations are in HKD and exclude commission fees
As at 31 January 2020

Information for reference only

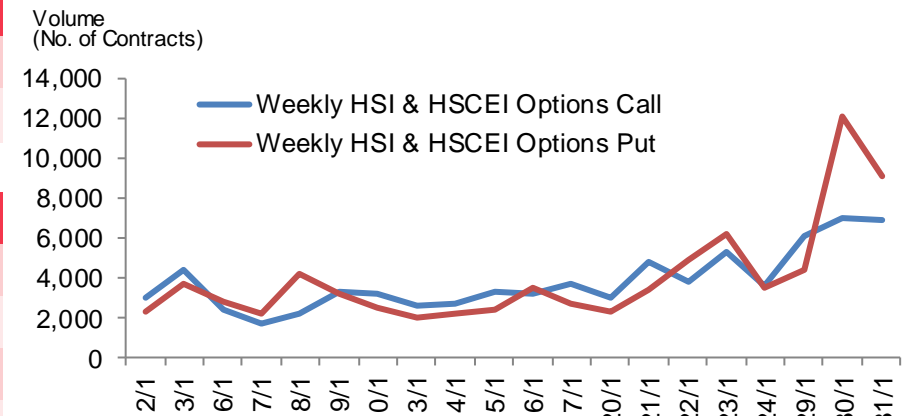
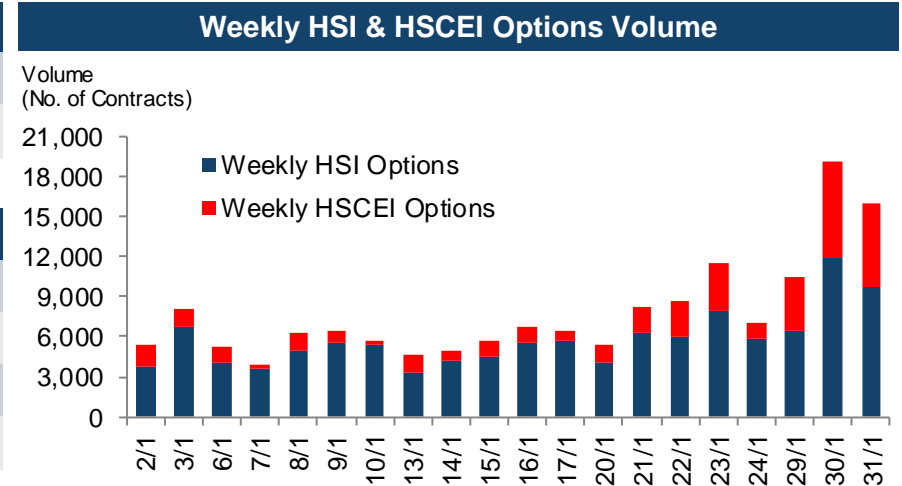
Weekly HSI & HSCEI Options Performance

| Weekly HSI Options | |
|---------------------|--|
| Contract Multiplier | HK\$50 |
| Liquidity Providers | Akuna, Eclipse, I-Access, IMC, Optiver |

| Transaction Cost* | |
|-------------------|---------------------|
| Stamp Duty | N/A |
| Trading Fee | HK\$10 / contract |
| SFC Levy | HK\$0.54 / contract |
| Commission Rate | Negotiable |

| Weekly HSCEI Options | |
|----------------------|--|
| Contract Multiplier | HK\$50 |
| Liquidity Providers | Akuna, Eclipse, I-Access, IMC, Optiver |

| Transaction Cost* | |
|-------------------|---------------------|
| Stamp Duty | N/A |
| Trading Fee | HK\$3.5 / contract |
| SFC Levy | HK\$0.54 / contract |
| Commission Rate | Negotiable |



An investment tool to manage short term event risk



Data Source: HKEX

* All calculations are in HKD and exclude commission fees

As at 31 January 2020

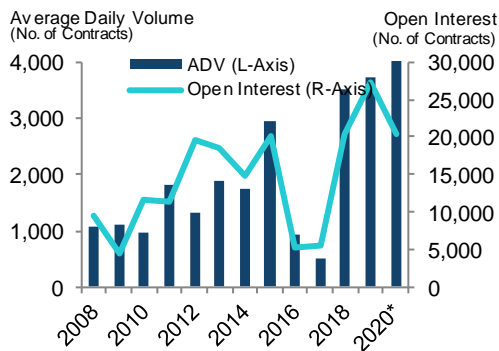
Information for reference only

Equity Futures & Options

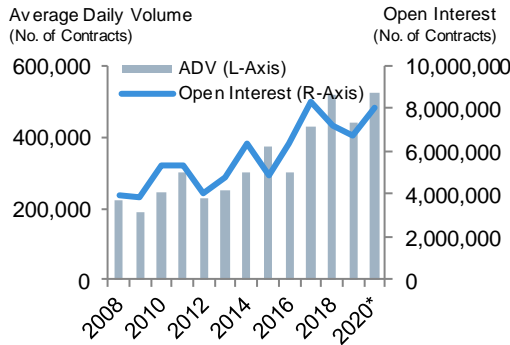
Single Stock Futures & Options

| Single Stock Derivatives ADV (2020 vs 2019) | ADV | OI* | No. of Single Stock Derivatives | |
|---|----------------|------------------|---------------------------------|----|
| Stock Futures | 4,370 (+17%) | 20,272 (-26%) | Single Stock Futures | 80 |
| Stock Options | 523,431 (+18%) | 8,054,819 (+20%) | Single Stock Options | 96 |

Stock Futures (YoY)



Stock Options (YoY)

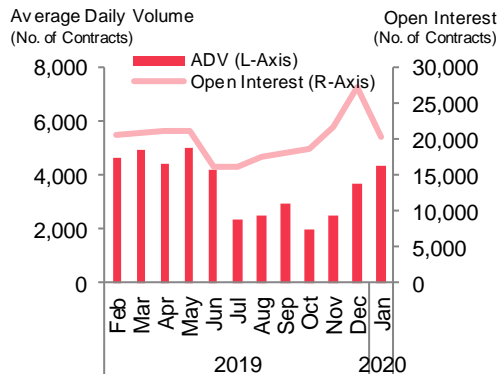


Latest and Future Developments

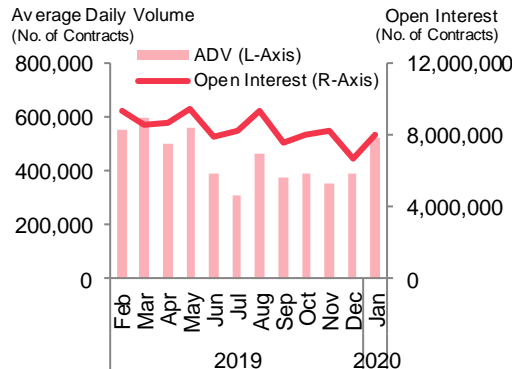
Stock Futures

- Products
 - 3 A-shares ETFs futures contracts
 - Total 80 stock futures contracts

Stock Futures (MoM)



Stock Options (MoM)



Stock Options

- Products
 - 3 A-shares ETFs options contracts
 - Total 96 stock options contracts
- Market Makers (MMs)
 - 3 types of market makers (PMM/ CQMM/ QRMM)
 - CQMM to provide 50 series continuous quotations



Data Source: HKEX

* OI compared to previous year-end
As at 31 January 2020

Information for reference only

MSCI AC Asia ex Japan NTR Index (AxJ) Futures Performance

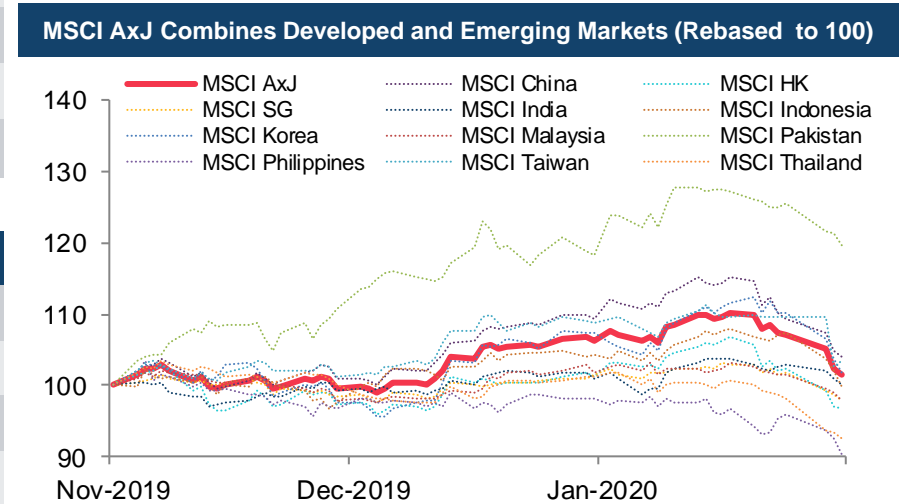
| MSCI AxJ | |
|--------------------------------------|--|
| Index Description | representation 2 DM countries (excl. Japan) and 9 EM countries in Asia |
| Index Level | 486.76 (As at 31 January 2020) |
| Index Volatility (30-Day Historical) | 14.5 |
| Index Avg. Day High-Low Range | 4.58 (January 2020) |
| HSI Correlation (2019) | 0.953 |
| HSCFI Correlation (2019) | 0.931 |

| MSCI AxJ Futures | |
|-----------------------------|---------------------------------|
| Contract Multiplier | US\$100 |
| Notional Value (1 Contract) | US\$49K (As at 31 January 2020) |
| Avg. Quote Size | US\$0.24Mn (5 Contracts) |
| Avg. Bid-Ask Trading Spread | 0.0 index points (January 2020) |
| Liquidity Providers | Flow and 11 banks |

| Transaction Cost* | |
|--------------------------|---------------------|
| Stamp Duty | N/A |
| Trading Fee | US\$0.5 / contract |
| SFC Levy | US\$0.07 / contract |
| Margin as of 02 Jan 2020 | US\$1,730 |



Open Interest continues to develop



MSCI AxJ is a well-established benchmark representing Asia regional (excluding Japan) equity market performance

Futures contracts have relatively lower transaction costs

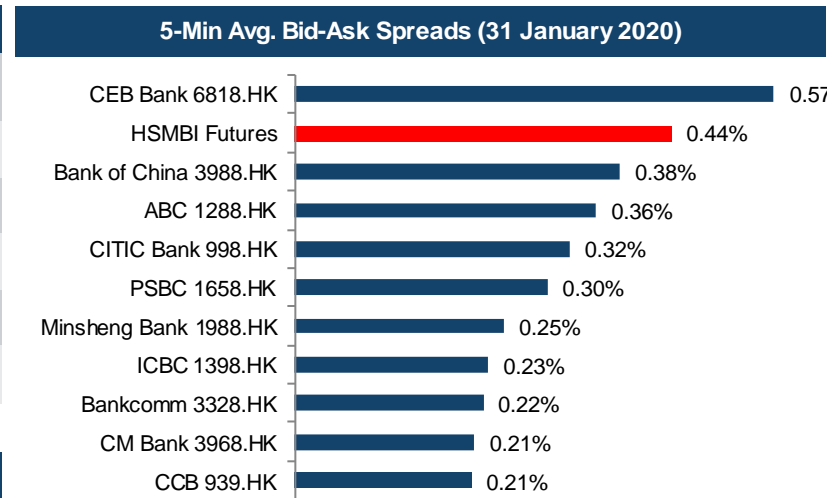


Data Source: HKEX, Bloomberg
 * All calculations are in US\$ and exclude commission fees
 As at 31 January 2020

Information for reference only

Hang Seng Mainland Banks Index Futures Performance

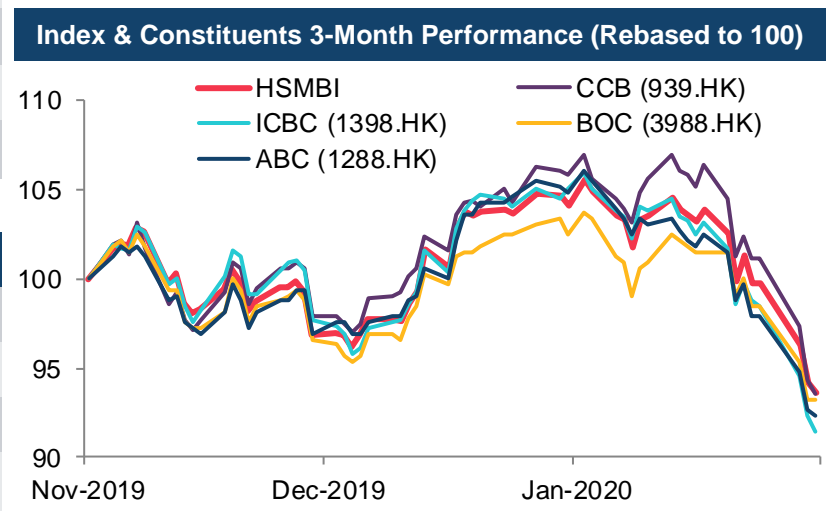
| Hang Seng Mainland Banks Index (HSMBI) | |
|--|--|
| Index Description | 10 largest and most representative HKEX-listed mainland banks stocks |
| Index Level | 2,789.74 (As at 31 January 2020) |
| Index Volatility (30-Day Historical) | 18.0 |
| Index Avg. Day High-Low Range | 29.90 (January 2020) |
| HSI Correlation (2019) | 0.971 |
| HSCI Correlation (2019) | 0.97 |



| Hang Seng Mainland Banks Index Futures | |
|--|------------------------------------|
| Contract Multiplier | HK\$50 |
| Notional Value (1 Contract) | HK\$0.14Mn (As at 31 January 2020) |
| Avg. Quote Size | HK\$0.70Mn (5 Contracts) |
| Avg. Bid-Ask Trading Spread | 0.0 index points (January 2020) |
| Liquidity Providers | Flow , IMC, Yue Kun |

1 HSMBI 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 02 Jan 2020 | HK\$7,740 |



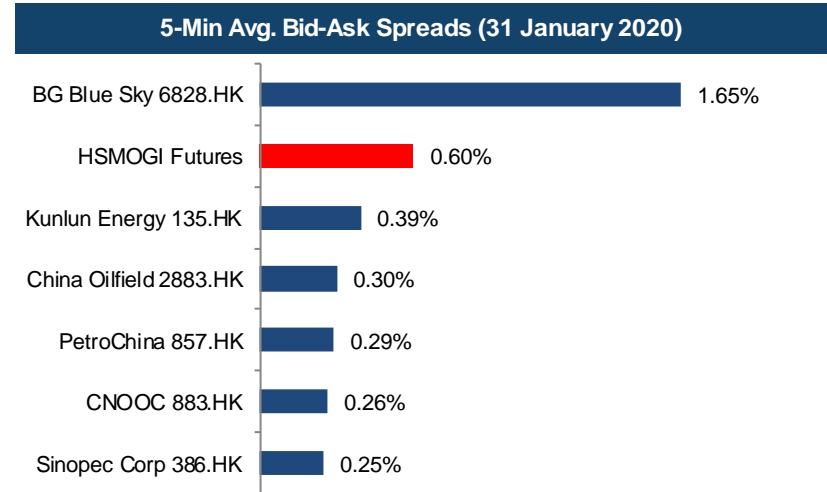
2 Futures contracts have relatively lower transaction costs

3 HSMBI Futures can be used for hedging



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 | 1,508.27 (As at 31 January 2020) |
| Index Volatility (30-Day Historical) | 21.9 |
| Index Avg. Day High-Low Range | 20.54 (January 2020) |
| HSI Correlation (2019) | 0.676 |
| HSCEI Correlation (2019) | 0.69 |

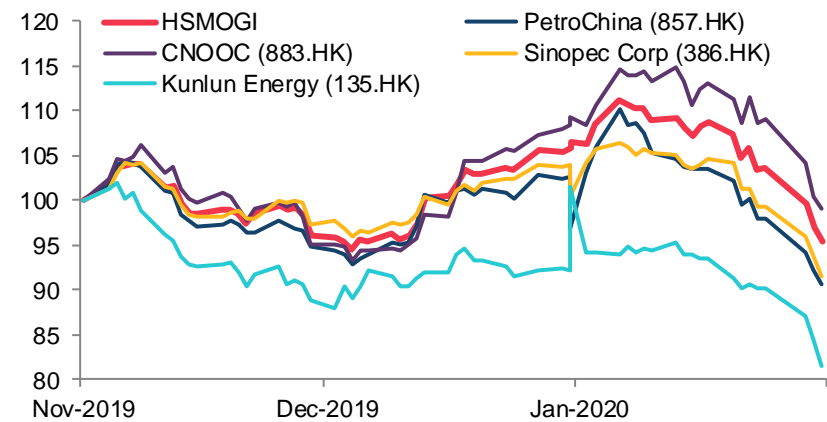


| Hang Seng Mainland Oil & Gas Index Futures | |
|--|---------------------------------|
| Contract Multiplier | HK\$50 |
| Notional Value (1 Contract) | HK\$75K (As at 31 January 2020) |
| Avg. Quote Size | HK\$0.38Mn (5 Contracts) |
| Avg. Bid-Ask Trading Spread | 0.0 index points (January 2020) |
| Liquidity Providers | Flow , IMC, Yue Kun |

1 HSMOGI 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 02 Jan 2020 | HK\$4,080 |

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 | 6,663.80 (As at 31 January 2020) |
| Index Volatility (30-Day Historical) | 30.0 |
| Index Avg. Day High-Low Range | 116.42 (January 2020) |
| HSI Correlation (2019) | 0.816 |
| HSCEI Correlation (2019) | 0.815 |

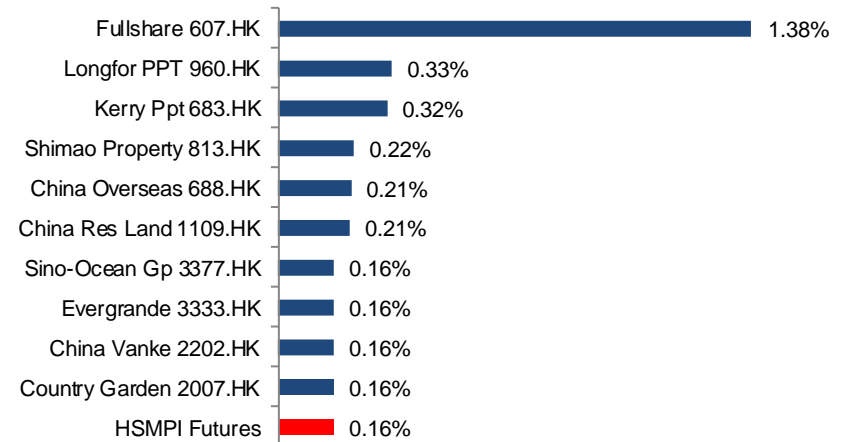
Hang Seng Mainland Properties Index Futures

| | |
|------------------------------------|------------------------------------|
| Contract Multiplier | HK\$50 |
| Notional Value (1 Contract) | HK\$0.33Mn (As at 31 January 2020) |
| Avg. Quote Size | HK\$1.7Mn (5 Contracts) |
| Avg. Bid-Ask Trading Spread | 0.0 index points (January 2020) |
| Liquidity Providers | Flow , IMC, Yue Kun |

Transaction Cost*

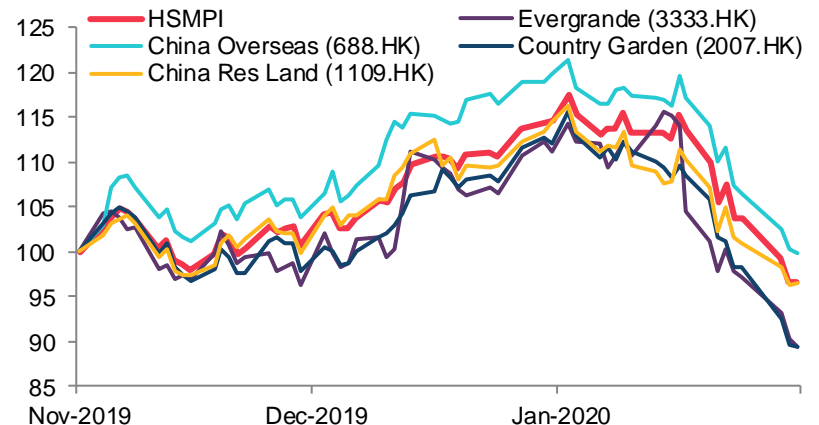
| | |
|---------------------------------|---------------------|
| Stamp Duty | N/A |
| Trading Fee | HK\$2 / contract |
| SFC Levy | HK\$0.54 / contract |
| Margin as of 02 Jan 2020 | HK\$22,520 |

5-Min Avg. Bid-Ask Spreads (31 January 2020)



1 HSMPI Futures have relatively tighter 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



Data Source: HKEX, HSIL, Bloomberg

* All calculations are in HKD and exclude commission fees

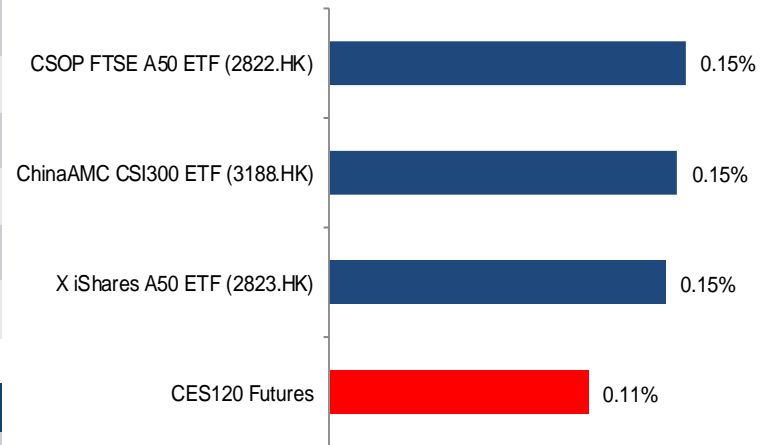
As at 31 January 2020

Information for reference only

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 | 6,773.77 (As at 31 January 2020) |
| Index Volatility (30-Day Historical) | 18.1 |
| Index Avg. Day High-Low Range | 67.87 (January 2020) |
| CSI300 Correlation (2019) | 0.955 |
| FTSE A50 Correlation (2019) | 0.969 |

5-Min Avg. Bid-Ask Spreads (31 January 2020)



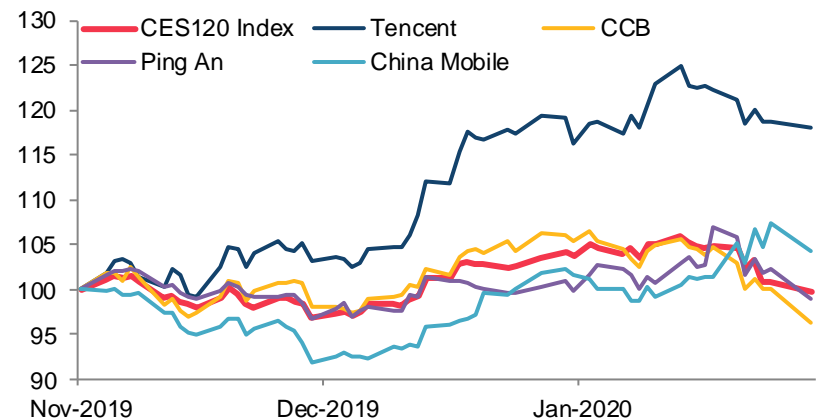
| CES120 Index Futures | |
|--------------------------------|------------------------------------|
| Contract Multiplier | HK\$50 |
| Notional Value (1 Contract) | HK\$0.34Mn (As at 31 January 2020) |
| Average Quote Size | HK\$1.69Mn (5 Contracts) |
| Average Bid-Ask Trading Spread | 0.0 index points (January 2020) |
| Liquidity Providers | Flow |

1 CES120 Futures have relatively tighter Bid-Ask Spreads

| Transaction Cost* | |
|--------------------------|---------------------|
| Stamp Duty | N/A |
| Trading Fee | HK\$5 / contract |
| SFC Levy | HK\$0.54 / contract |
| Margin as of 02 Jan 2020 | HK\$17,750 |

2 Futures contracts have relatively lower transaction costs

CES120 & Top Constituents' 3-Month Performance (Rebased to 100)



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



Weekly HSI and HSCEI Options Access Codes

| Hong Kong and International Information Vendors | | |
|---|--|--------------------------|
| Information Vendor | Weekly HSI Options | Weekly HSCEI Options |
| AASTOCKS | 322105 | 322125 |
| Bloomberg | HSI Index OMON | HSCEI Index OMON |
| DB Power | HSI | HHI |
| ET Net Limited | Menu "Futures/Options" > "Futures/Options Quotation (Short-term)" > Access code: The series name | |
| Infocast | HSI | HHI |
| MegaHub Limited | HSI | HHI |
| N2N-AFE | 873101 | 873121 |
| Refinitiv | <0#HSIW*.HF> | <0#HCEIW*.HF> |
| Tele-Trend | File->Open->Options->HSI | File->Open->Options->HHI |

MSCI AxJ and MSCI AxJ Futures Access Codes

| Hong Kong and International Information Vendors | | |
|---|----------------|------------------------|
| Information Vendor | MSCI AxJ Index | MSCI AxJ Index Futures |
| AASTOCKS | - | 221495 |
| Activ Financial | - | MXJ/<yy><m>.HF |
| Bloomberg | M1ASJ Index | MJSA Index CT |
| CQG | - | MXJ |
| DB Power | - | MXJ |
| East Money Information | - | MXJ |
| Factset | - | MXJE |
| ICE Data Services | - | F:MXJ |
| Infocast | - | MXJ |
| N2N-AFE | - | 870823 |
| QPWeb | - | P11203 |
| SIX Financial Information | - | MXJmy |
| Thomas Reuters | .MIAX00000NUS | 0#HMJX: |
| Telequote Data | - | MXJ/<yy><m>.HF |
| Tele-Trend | - | MXJFC, MXJmy |

Data Source: HKEX



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 |
| AASTOCKS | | 221420 | | 221425 | | 221415 |
| Activ Financial | =0200700.HK | MBI/16K.HF | =0200800.HK | MPI/16K.HF | =0201000.HK | MOI/16K.HF |
| AFE | 837451 | 870809 | 837451 | 870810 | 837451 | 870808 |
| Bloomberg | HSMBI Index | BMWA Index | MSMPI Index | PPTA Index | HSMOGI Index | OGIA Index |
| DB Power | | MBI | | MPI | | MOI |
| ET Net | MBN | MBI | MPR | MPI | MOG | MOI |
| Infocast | HSMBI | MBI | MSMPI | MPI | MOGI | MOI |
| QuotePower | SEHK.HHSMBI | P11223 | SEHK.HHSMPI | P11224 | SEHK.HHSMOGI | P11222 |
| Telequote | | MBImy | | MPImy | | MOImy |
| Thomson Reuters | .HSMBI | 0#HMBI: | .HSMPI | 0#HMPI: | .HSMOGI | 0#HMOI: |
| 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 |
| East Money | HSMBI | MBI | HSMPI | MPI | HSMOGI | MOI |
| Hexin Flush Financial | | MBIC | | MPIC | | MOIC |
| Pobo Financial | | MBI+Month+Year | | MPI+Month+Year | | MOI+Month+Year |
| Qianlong | 999905 | 209 | 999902 | 209 | 999903 | 209 |
| Wind | HSMBI | MBIF+yyymm+HK | HSMPI | MPIF+yyymm+HK | HSMOGI | MOIF+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 |

