

PART 2: QUESTIONS FOR RESPONSE

Please indicate your views by providing comments as appropriate. Where there is insufficient space, please use additional sheets of paper as necessary.

Section I: HKEx's Proposal

Change (A): Advance the morning continuous trading session (CTS) by 0.5 hours. The morning CTS of the securities and stock futures/options markets will open at 09:30 and close at 12:00; the index futures/options markets will open at 09:15 and close at 12:00 (i.e. our markets will open at the same time as the Mainland's in the morning).

Change (B): Advance the opening times of the afternoon CTS:

Option 1: the afternoon CTS of all markets will open at 13:00 resulting in a 1-hour lunch break from 12:00 to 13:00 (i.e. our markets will open at the same time as the Mainland's in the afternoon); or

Option 2: the afternoon CTS of all markets will open at 13:30 resulting in a 1.5-hour lunch break from 12:00 to 13:30 (i.e. our markets will open 0.5 hours later than the Mainland's in the afternoon).

1. Do you/your company support *Change (A) of the Proposal*, i.e. advance the morning CTS by 0.5 hours?

Yes, due to reason(s) stated below (multiple selection allowed):

- Better price discovery
- Enhanced compatibility with the Mainland
- Better service to investors
- Strengthened competitiveness
- Other reason(s), please specify:

We support the Proposal as it is a longer trading day and keeps us aligned to the European and PRC markets.

No, due to reason(s) stated below (multiple selection allowed):

- System/operational issues
- Insufficient time to digest market news before market open
- Business commitments (e.g. morning briefings)
- Longer and earlier working hours
- Other reason(s), please specify:

2. Do you/your company support **Change (B) of the Proposal**, i.e. advance the opening times of the afternoon CTS?

Yes, due to reason(s) stated below (multiple selection allowed):

- Better price discovery
- Enhanced compatibility with the Mainland
- Better service to investors
- Strengthened competitiveness
- Other reason(s), please specify:

We support the Proposal as it is a longer trading day and keeps us aligned to the European and PRC markets.

No, due to reason(s) stated below (multiple selection allowed):

- System/operational issues
- Insufficient time to digest market news before market open
- Business commitments (e.g. lunch meetings with clients)
- Change of lunch practice
- Other reason(s), please specify:

3. Which of the **two options of Change (B) of the Proposal** would you prefer:

- Option 1: the afternoon CTS of all markets will **open at 13:00 resulting in a 1-hour lunch break from 12:00 to 13:00** (i.e. our markets will open at the same time as the Mainland's in the afternoon)
- Option 2: the afternoon CTS of all markets will **open at 13:30 resulting in a 1.5-hour lunch break from 12:00 to 13:30** (i.e. our markets will open 0.5 hours later than the Mainland's in the afternoon)

Remarks: _____

We support Option 1 as it is the longest trading hours possible, and can avoid clashes with the closing hours of other regional markets which close at 14:00.

4. (For respondents representing your company's view)

----- If Changes (A) and (B) in the Proposal are adopted, does your company need to prepare for implementation? How much *lead time* would be required?

Yes, we would require 1 month to prepare for implementation.

Section II: Auction Sessions

No change in the auction sessions except that they will move along with the CTS as follows:

- Morning auction sessions for securities market and index futures/options markets will become 09:00 to 09:30 and 08:45 to 09:15 respectively; and
- Afternoon auction session for index futures/options markets will become 12:30 to 13:00 (Option 1) or 13:00 to 13:30 (Option 2).

5. If *Change (A)* is adopted, should the *morning auction sessions* remain *0.5 hours*? If not, what is your/your company's suggestion? Please state reason(s).

Yes, the morning auction sessions should remain 0.5 hours.

6. If *Change (B)* is adopted, should the *afternoon auction session* remain *0.5 hours* for Option 1 and Option 2? If not, what is your/your company's suggestion? Please state reason(s).

Yes, the afternoon auction sessions should remain 0.5 hours.

Section III: Other issues

7. Are there any other issues regarding the Proposal to change trading hours that HKEx should consider?

Although we have opted for Option 1 under Change (B) in the Proposal, we are of the view that Options 1 and 2 do not make much difference.

The priority should be to reinstate a closing auction after the continuous trading session.

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