

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:

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:

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: _____

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?

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).

No. Because if the auction sessions still remain 0.5 hours, which means it will get start at 8:45. I don't think it's suitable for most of the traders because it's too early and the traders will not be able to get enough preparations for the market.

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).

No. As stated earlier, if the auction sessions still remain 0.5 hours, the traders won't be able to get enough time for the lunch or other business arrangements. Because after morning session ends, the dealers still have work to do, as confirming the orders of the clients, sorting the orders, the back office staff will also coordinate with the dealers and so as the accounting department. So it's not reasonable and humane to shorten the time between two sessions.

Section III: Other issues

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

It's reasonable that the Hong Kong market should be connected more closely to the mainland market, but Hong Kong market has its own features. To change the time of opening market and shorten the time between the morning and afternoon markets doesn't really concern the need of the traders and the staff. Because they have much to do before the market opens and after the market ends. Therefore hopefully the HKEx will take this issue more seriously.