

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: ___ For our company it is very important that a lunch break remains in the day. From our analysis there is a more active trading market when this occurs – in markets where there is no lunch break we find that the lunch time period is extremely slow causing the flow to be spread over the day rather than resulting in an increase in overall volume.

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? Not much effort

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).

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).
We would be satisfied if the pre open was limited to 15 minutes before the afternoon auction. This is ample time to respond

Section III: Other issues

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

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