

Submitted via Qualtrics

(Anonymous)

Company / Organisation view

Consultation Question 1(a):

Do you support the proposed arrangements on trade amendment under the T+1 settlement cycle across the Cash Market trade lifecycle?

Please give reasons for your views.

Yes, comments (optional) as follows

Extending the T-day amendment window to 17:00 and removing the T+1 amendment window aligns with our preference for earlier finalisation of positions.

As our internal systems already provide near-real-time trade capture and exception detection, we can meet the proposed T-day deadline without having to fundamentally alter workflows.

Consultation Question 1(b):

Do you support the proposed arrangements on post trade under the T+1 settlement cycle across the Cash Market trade lifecycle?

Please give reasons for your views.

Yes, comments (optional) as follows

Extending the T-day amendment window to 17:00 and removing the T+1 amendment window aligns with our preference for earlier finalisation of positions.

As our internal systems already provide near-real-time trade capture and exception detection, we can meet the proposed T-day deadline without having to fundamentally alter workflows.

Consultation Question 1(c):

Do you support the proposed arrangements on risk management under the T+1 settlement cycle across the Cash Market trade lifecycle?

Please give reasons for your views.

Yes, comments (optional) as follows

The shorter margin coverage period in CNS positions. Existing risk controls and automated pre-funding checks will allow us to manage same-day exception detection and funding requirements.

Consultation Question 1(d):

Do you support the proposed arrangements on other processes (including reporting, corporate actions, stock conversion arrangement and stamp duty arrangement) under the T+1 settlement cycle across the Cash Market trade lifecycle?

Please give reasons for your views.

Yes, comments (optional) as follows

Reporting: Our automation capability enables timely processing of T-day FCS at 20:00.

Corporate actions: We will adjust internal timetables to align ex-dates with record dates under T+1, the incremental risk introduced by the revised timeline is negligible.

Stock conversion: Shortened conversion duration is a benefit, not detrimental. No impact.

Stamp duty: Our systems can be reconfigured to accommodate earlier form submission and payment dates as proposed. The condensed timeline does pose potential problems when trades to US Investment Manager are allocated to Stamp Exempt accounts after HK business hours.

Consultation Question 2:

Do you have any comments on the assessment of the implications for Exchange Traded Products (ETPs) and Stock Options under the proposed T+1 settlement cycle? In particular, please comment on:

- Guiding principles for the ETP primary market;
- Buy-in considerations for ETPs; and
- Stock options (including exercise and assignment).

Please give reasons for your views.

Yes, comments (optional) as follows

The extent of our involvement in ETP is as a Market Maker with little to no involvement in creation/redemption. We are in agree that digitilisation and automation on the side of Participating Dealers/Issuers/Trustees/Custodians in lieu of manual and paper based procedures is paramount in a T+1 environment.

We're in agreement that the existing buy-in exemption framework for ETP's should carry over post a move to T+1

Given scope of [REDACTED] involvement in Stock Options, there is no impact to a shortened settlement cycle.

Consultation Question 3:

Do you have any comments that consequential amendments should be made to the Listing Rules to reflect the arrangements proposed under the T+1 operating model?

We do not believe any consequential amdendments should be made to the listing rules

Consultation Question 4:

In assessing your circumstances for a T+1 transition, are there any other key topics, perspectives or types of market participants which you believe are relevant to highlight, that have not been covered in Exhibit 1 and paragraphs 110-113?

Please share your views.

Yes, suggestions and considerations as follows

There is a heavy dependency on US based IM's to have close coordination with their Global Custodians to ensure instructions are communicated expediently and sent by local custodians in the market on a timely basis

Consultation Question 5:

Do you consider the timeframe to be sufficient for you to prepare for T+1 to become effective in Q4 2027, given the advance visibility and lead time provided? Do you have any comments on the discussion and implementation approach?

Please share your views on the proposed approach and timeline.

Yes, comments (optional) as follows

The timeframe as it stands is sufficient, but there is a dependency on whether or not a Central Matching framework is set up, and how complexity of any integration with IM's, CP's and custodians.