

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

We support extending the trade amendment deadline from T-day 4:00pm to 5:00pm and removing the T+1 amendment window. Consolidating amendments within T-day enables earlier position finality, which is essential for generating the Final Clearing Statement by T-day 8:00pm and allowing participants sufficient time to prepare for T+1 settlement.

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

We support the proposed post trade arrangements. Generating the Final Clearing Statement by T-day 8:00pm gives participants early visibility of cleared positions. Retaining the existing DVP Model 2 batch settlement framework minimises transition costs. Extending SI activity hours to T-day 10:00pm provides a workable window for participants to complete post-trade instructions ahead of T+1 settlement.

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

We support the proposed risk management arrangements. Reducing cashflow settlement cycle, marks and margin coverage from three to two days (intraday) and two to one day (day-end) appropriately reflects the lower unsettled exposure under T+1. Maintaining the existing calculation methodology ensures continuity. However, the delayed risk obligation report at T-day 10:00pm compresses the funding preparation window before the 9:30am payment deadline.

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

We broadly support the proposed changes. Aligning the ex-date with the last registration date under T+1 is logical. Compressing stamp duty reporting and payment to T+1 is operationally tight but

consistent with the shortened cycle. We recommend HKEX review derivative contract specifications, such as index futures expiry conventions, which embed T+2 settlement assumptions that may require corresponding adjustments. Besides, please extend the consideration into ETD CR/ RD , Stock Options exercise and assignment, buy in exemption and buy in cycle when implementing T+1 cycle

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

We urge HKEX to holistically align the buy-in exemption framework (CCASS Section 10.8.3), market buy-in timelines, and ETP creation/redemption cut-offs with T+1 logic. Without recalibrating settlement efficiency thresholds and extending exemption buffers, market-making economics deteriorate significantly. Holiday cycle mismatches between ETF units and underlying securities must also be explicitly addressed to prevent systemic settlement fails.

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 support consequential Listing Rules amendments to reflect T+1, provided they are holistically aligned. IPO settlement workflows, stock option listing and exercise provisions, and short sell eligibility criteria must all be updated consistently. Partial or sequenced amendments risk operational mismatches. We recommend HKEX publish a comprehensive schedule of all affected Listing Rules provisions before implementation commences.

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.

No comment

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

T+1 to become effective in Q4 2027 is good timeline