

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.

No comment

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.

No, reasons and considerations as follows

Time Zone and Pre-Settlement Matching Pressure

The Issue: Even with extended SI windows, we will still face significant pressure resolving issues before settlement, especially for EMEA-based clients without Asian coverage. They will effectively be working on a same-day timeline.

Current Proposal:

- SI input: T-day 10:00pm (extended from 7:00pm)
- SI matching: T-day 9:30pm (extended from 6:00pm)
- Settlement batches: 10:30am, 12:00pm, 2:00pm, 3:45pm on T+1 (unchanged)

Our Recommendation:

- Implement real-time matching and settlement, OR
- Add overnight batch and early morning batch to catch issues early
- Without this: expect more settlement failures and need overnight staffing/coverage

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.

No comment

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.

No, reasons and considerations as follows

Stamp Duty Deadline Clash

The Issue: Only 45 minutes between SD-4 deadline (10:15am) and SD-1 submission deadline (11:00am) on T+1. These are dependent processes - we can't complete SD-1 accurately until exemptions are confirmed or any booking issue is resolved for SD-1 submission.

Current Proposal:

- SD-4 exemption: T+1 10:15am (unchanged)
- SD-1 submission: T+1 11:00am (moved forward 1 day)
- Payment: T+1 day-end (moved forward 1 day)

Our Recommendation:

- Extend SD-1 deadline on T+1
- Provides adequate time for exemption processing, reconciliation, and exception handling
- Without this: high risk of missed deadlines and regulatory penalties

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.

No, reasons and considerations as follows

Buy-In Rules Need Flexibility

The Issue: Current buy-in framework designed for T+2. Under T+1, reduced time for securities sourcing and issue resolution will trigger more buy-ins, even for operational issues beyond our control.

Specific Concerns:

- General: Technical issues that we currently resolve will trigger mandatory buy-ins

- ETF Creation/Redemption: Will face buy-ins when ETF creation/redemption processing takes slightly longer
- Securities Lending: Recalls may not complete in time despite timely initiation

Our Recommendation:

- Relaxed the existing rule and timing for buy-ins and buy-in exemption
- Automated exemption process instead of manual applications
- Extended exemption windows for ETF creation/redemption flows
- SBL exemptions when recalls initiated promptly but delayed.
- Without this: increased failures, reduced ETF liquidity, damaged settlement reputation

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?

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.

No comment