

Submitted via Qualtrics
Company / Organisation view

1. Do you agree that the board lot value floor guidance should be revised? If not, please provide reasons.

Yes. A standardized board lot size would be more inline with other major global bourses and promote a more understandable and consistent playing field for investors (and bring it more inline with the domestic markets). Meanwhile, reducing the minimum board lot value and putting a cap on the maximum board lot value should help to spur more retail investor participation.

2. Do you agree that the board lot value floor guidance should be revised to HK\$1,000? If not, please provide reasons.

Yes. A halving of the current board lot value floor seems reasonable, which allows more flexibility for trading smaller positions whilst not unnecessarily allowing costs to exceed the value of a trade. This is especially helpful for retail investors and smaller funds.

3. Do you agree with introducing board lot value ceiling guidance? If not, please provide reasons.

Yes. This allows a more level playing field for retail investors and should hopefully increase market liquidity.

4. Do you agree that the board lot value ceiling guidance should be set at HK\$50,000? If not, please provide reasons.

Yes. A HK\$50,000 board lot will effect only a relatively small handful of stocks, and will likely increase retail investor participation in those shares (and hopefully overall liquidity).

5. Do you agree with applying the board lot value ceiling guidance only to issuers whose board lot units exceed 100 shares in order to facilitate potential future adoption of a single board lot unit and support alignment with Chinese Mainland markets? If not, please provide reasons.

Yes. I firmly believe that alignment with the Chinese Mainland markets in the medium-to-longer term makes sense in regards to the board lot. However, this should not be seen as a one-way process in all aspects, and notice should be taken of where market dynamics in the Hong Kong market would be preferable for the mainland market to follow.

6. Do you support further reduction of the board lot value ceiling guidance in the future? If not, please provide reasons.

Yes. So long as trading costs remain controlled in relation to the board lot value then smaller board lot values make sense. This should raise retail investor participation, whilst larger funds are simply able to trade more lots to satisfy their requirements.

7. Do you support standardising board lot units as a pathway to reducing market complexity? If not, please provide reasons.

Yes. No comment. required. Standardised board lots make sense, all other things being equal.

8. Do you support adopting the eight board lot units specified (1, 50, 100, 500, 1,000, 2,000, 5,000, 10,000 share(s))? If not, please provide reasons.

Yes. Yes, I see it as a necessary step in the direction of eventually introducing a single board lot.

9. If you do not support adopting eight board lot units, do you prefer a larger number of board lot units? If yes, please provide reasons.

N/A

10. (For issuers only) If a change is required, is six months an appropriate duration for an issuer to adjust its board lot unit or undertake other corporate action, to comply with board lot value ceiling guidance or standardisation of board lot units? If not, please provide reasons.

N/A

11. Do you support aligning implementation of standardisation of board lot units with the USM initiative? If not, please provide reasons.

Yes. The USM initiative is unavoidable - there appears to be little reason to maintain physical share certificates in this day and age. It makes sense to coordinate these initiatives.

12. Are there any anticipated challenges, such as system limitations, in implementing the proposed board lot framework?

No. I can't imagine this will cause any major system issues.

13. Do you have any other comments regarding the board lot framework enhancements in the Hong Kong securities market?

I welcome this initiative and it has my full support.

Happy to participate in any further discussions on this and other topics.

Thank you for allowing me to provide my opinion on the matter.