

Submitted via Qualtrics

Company / Entity View

Market Represent(s): Securities & Derivatives Markets

Question 1

Do you have any comments or concerns on the proposed arrangements for the Hong Kong securities market?

Yes

If the answer is "Yes", please specify your comments or concern:

- Challenges for being fully digital will be submitting In-Kind ETF creation/redemption orders, as it currently involves Fax to instruct HKEX to DR/CR stock on CCASS and manual book entry forms. Signatures are required and book entry forms have to be physically delivered to HKEX. We would require an exemption to deliver such on the next normal business day.
- ETF buy in exemption whilst instructions are sent in using the client connect platform there is still a fair bit of manual work needed to apply for the exemption, form filling and evidence needs to be uploaded to client connect platform, this involves printing, signing etc, again we would require an exemption to deliver such on the next normal business day.
- Will IRD be available on SWT as we need to submit physical cheques and contract notes for SD4 (jobbing transactions for option MM's). We have explored the option of electronic submission (e stamp) and found the system to be limited (only 5,000 lines per submission) and cumbersome as we have on average at least 50,000 lines daily. Also, we found its quite difficult to amend after submission via the platform. The Platform overall is not built for institutions. The payment method is restricted to credit card or PPS payment which is also restrictive.
- Our settlement bank is HSBC, we presume they will be operational and providing the same facilities as a normal business day. Providing the ability to support all currencies (not only a select a few currencies, like they currently do for holiday trading on HKEx) and to also support SWIFT and CHATS (i.e., both onshore and offshore) ?
- Presume ETF fund/Asset Manager, Custodian, other PD, and Registrar will be fully operational during SWT.

Question 2

Do you have any comments or concerns on the proposed arrangements for Northbound Trading under Stock Connect?

No

If the answer is "Yes", please specify your comments or concern:

N/A

Question 3

Do you have any comments or concerns on the proposed arrangements for Hong Kong derivatives market?

Yes

If the answer is "Yes", please specify your comments or concern:

- Our settlement bank is HSBC, we presume they will be operational and providing the same facilities as a normal business day. Providing the ability to support all currencies (not only a select a few currencies, like they currently do for holiday trading on HKEx) and to also support SWIFT and CHATS (i.e., both onshore and offshore) ?

Question 4

Do you have any comments or concerns on the proposed arrangements for new listings and new products?

No

If the answer is "Yes", please specify your comments or concern:

N/A

Question 5a

Do you have any comments or concerns on the proposed money transfer arrangements in relation to Cheque Clearing?

Yes

If the answer is "Yes", please specify your comments or concern:

Is this not a good opportunity to stop such outdated methods/processes

Question 5b

Do you have any comments or concerns on the proposed money transfer arrangements in relation to Banking Services?

Yes

If the answer is "Yes", please specify your comments or concern:

- Our settlement bank is HSBC, we presume they will be operational and providing the same facilities as a normal business day. Providing the ability to support all currencies (not only a select a few currencies, like they currently do for holiday trading on HKEx) and to also support SWIFT and CHATS (i.e., both onshore and offshore) ?

Question 6

Do you agree with the proposed arrangements for listing applicants and listed issuers as set out in paragraphs 90 – 91?

Yes

If the answer is "No", please specify your comments or concern:

N/A

Question 7

Do you agree with the proposed arrangements for listing applicants and listed issuers as set out in paragraphs 92 – 94?

Yes

If the answer is "No", please specify your comments or concern:

N/A

Question 8

Do you envisage there being any material practical difficulty in complying with any particular Listing Rule requirements?

No

If the answer is "Yes", please specify your comments or concern:

N/A

Question 9

Do you agree that consequential amendments to the Listing Rules should be made?

Yes

If the answer is "No", please specify your comments or concern:

N/A

Question 10

Under the proposed model, do you foresee any insurmountable difficulties for implementing SWT?

Yes

If the answer is "Yes", please specify your comments or concern:

- We do also have some concerns around Hong Kong infrastructure in general, for example the New Territories only has one provider of electricity services, CLP, and also only one broadband internet provider, HKT. If the weather is severe it is not impossible to have power, telecoms outages.

Question 11

Would there be adequate time to prepare for SWT to come effective in July 2024 under the proposed model?

Yes

If the answer is "No", please specify the reasonable length and reason(s):

N/A