

## Part B Consultation Questions

Please reply to the questions below that are raised in the Consultation Paper downloadable from the HKEX website at:

<http://www.hkex.com.hk/eng/newsconsul/mktconsul/Documents/cp2017063.pdf>

Please indicate your preference by checking the appropriate boxes.

Where there is insufficient space provided for your comments, please attach additional pages.

1. In light of the need to enhance Hong Kong's position as an international financial centre and satisfy market demand, do you support the extension of trading hours in the T+1 Session?

Yes

No

Please give reasons for your view.

In order to maintain competitiveness with other major Asian exchanges and further increase the appeal to participants outside Asia, we support HKEx to offer comparable trading hours.

2. Do you agree that the inclusion of equity index options in the T+1 Session could facilitate better risk management by brokers and investors?

Yes

No

Please give reasons for your view.

We are of the view that the inclusion of equity index positions in the T+1 session will help participants better risk manage their trading positions on a more continuous basis, particularly around potential major market events.

In general, the larger the product suite, the more opportunities it offers to our clients.

3. Do you agree that the proposed trading halt could mitigate / reduce risk to the market while maintaining a simple mechanism?

Yes

No

Please give reasons for your view.

We are of the view that it makes sense to halt options of the same class when their prices are derived from the index futures.

In additions, After-hours is a common mechanism across APAC exchanges, therefore our clients are familiar with how it works.

4. Do you have any other comments on the proposed implementation roadmap?

We support the proposed roadmap as it is simple to execute. Further, the proposal can also avoid separating the clearing cutoffs for after-hour sessions which is a positive point (contrary example is ASX).

In fact, we are of the view that it would be favourable to extend trading hours even later than proposed, subject to a further extension not being likely to cause a degradation in liquidity. As a peer comparison SGX trades until 4.45am whilst OSE trades until 4.30am HKT (both cover the US market close).

5. Do you agree with the alignment of the T+1 Session Cutoff Time with the close of trading hours at 03:00?

Yes

No

Please provide reasons if you disagree with that.

No disagreement with this proposal.

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