

June 2019

INTRODUCTION

The MSCI AC Asia ex Japan Net Total Return Index (“MSCI AxJ”) is a well-established benchmark representing Asia regional (excluding Japan) equity market performance. The MSCI AxJ is calculated by MSCI and was launched in January 2001. It currently comprises securities in two developed markets (Hong Kong and Singapore) and nine emerging markets (Mainland China, India, Indonesia, Korea, Malaysia, Pakistan, the Philippines, Taiwan and Thailand). With 646 constituent stocks, it covers approximately 85 per cent of the free float-adjusted market capitalisation in each market and the total free float-adjusted index market capitalisation was USD 4,748 billion*. The index is calculated in a net total return form (i.e. reinvestment of net dividend payout into the index portfolio).

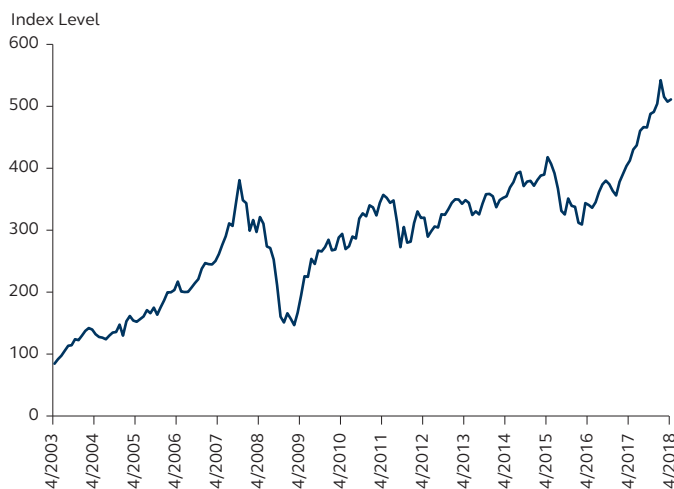
USES OF MSCI AxJ FUTURES

The introduction of the MSCI AxJ Futures contract aims to meet the trading and hedging needs of investors who have exposure to large and mid-cap companies in developed and emerging Asian markets (ex-Japan) in a cost effective manner. Asset managers and banks can make use of MSCI AxJ Futures for cash equitisation and to manage market, settlement and liquidity risks while avoiding cross zone trading issue.

TRADING IN ASIA TIME ZONE

Price discovery for MSCI AxJ occurs primarily during Asia time zone. Over 38 per cent^ of the index constituents (by index weight) can be traded through Hong Kong or Stock Connect programme. HKEX MSCI AxJ Futures provides Asia time zone coverage for investors.

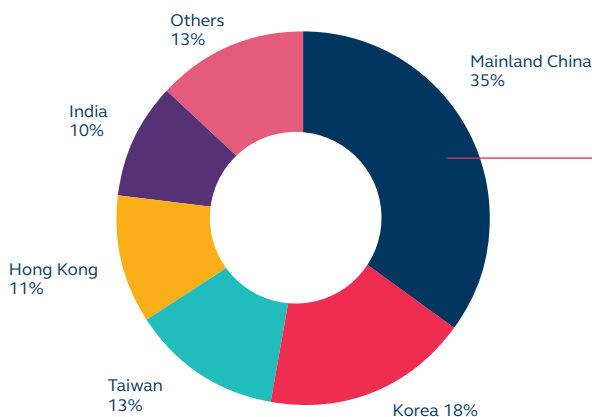
INDEX PERFORMANCE (USD) (APR 2003 – APR 2018)^



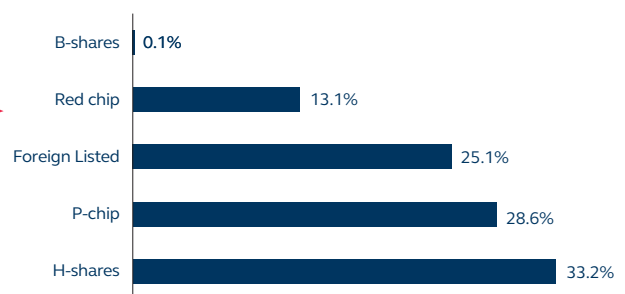
TOP 10 CONSTITUENTS OF MSCI AxJ INDEX**

Company Name	Market	Free Float Adjusted Market Cap (USD Bn)	Index Weight (%)	Sector
Tencent Holdings	Mainland China	283.94	5.95	Info Tech
Samsung Electronics	Korea	240.24	5.03	Info Tech
Alibaba Group	Mainland China	205.77	4.31	Info Tech
Taiwan Semiconductor	Taiwan	189.00	3.96	Info Tech
AIA Group	Hong Kong	108.77	2.28	Financials
CCB	Mainland China	89.20	1.87	Financials
Baidu	Mainland China	69.05	1.45	Info Tech
ICBC	Mainland China	65.61	1.37	Financials
China Mobile	Mainland China	58.86	1.23	Telecom Services
Ping An Insurance	Mainland China	51.51	1.08	Financials

INDEX CONSTITUENTS WEIGHT BY MARKET



TYPES OF CHINESE SHARES



* Source: MSCI, as of 30 April 2018

^ Source: Bloomberg, as of 30 April 2018

The constituent list and vendor codes can be found on the MSCI websites www.msci.com/constituents and www.msci.com/ticker-codes respectively.

Indexed to



INFORMATION VENDOR ACCESS CODE

INDEX

	Bloomberg L.P.	Thomson Reuters
Access Code	M1ASJ Index	.MIAX0000NUS

FUTURES

	AAStocks.com	Bloomberg L.P.	CQG	DB Power Online	East Money Information	Infocast	N2N-AFE
Access Code	221495	MJSA Index CT	MXJ	MXJ	MXJ	MXJ	870823
	QPWeb	Thomson Reuters	Telequote Data	SIX Financial Information	Activ	Tele-Trend	ICE Data Services
Access Code	P11203	0#HMXJ:	MXJ/<yy><m>.HF	MXJmy	MXJ/<yy><m>.HF	MXJFC, MXJmy	F:MXJ

MSCI AxJ FUTURES CONTRACT SPECIFICATIONS

ITEMS	KEY CONTRACT TERMS
Underlying Index	MSCI AC Asia ex Japan Net Total Return Index (USD)
HKATS Code	MXJ
Trading Currency	USD
Contract Multiplier	USD 100 per index point
Contract Months	The nearest five calendar quarter months (i.e. quarter months are March, June, September and December)
Calendar Spreads	Cover 1st spot quarter month to other quarter months
Trading Hours (Hong Kong Time)	8:30 am – 4:30 pm (Day Session); 5:15 pm – 3:00 am (AHT Session) (Expiring contract months closes at 4:30 pm on the Last Trading Day)
Last Trading Day (LTD)	The 3rd Friday of the contract month; if it falls on a HK public holiday, LTD will be the preceding business day which is also a business day in HK
Exchange Fee	USD 0.5 per contract per side
Cash Settlement Fee	USD 0.5 per contract per side on final settlement
Commission Levy	USD 0.07** per contract
Position Limit	110,000 net contracts long or short for all contract months combined
Large Open Position	500 open contracts, in any one contract month
Holiday Schedule	Follows Hong Kong public holiday schedule

[^] The USD equivalent of HKD 0.54 per contract at the exchange rate determined by the HKFE from time to time.

[†] The Commission Levy will be exempted for the first six months of trading, i.e. from 11 June 2018 to 10 December 2018.

DESIGNATED LIQUIDITY PROVIDER FOR MSCI AXJ FUTURES

PARTICIPANT	CONTACT	PHONE	EMAIL
Flow Traders Hong Kong Limited	Institutional Trading Asia	+852 2593 3039	fit.apac@hk.flowtraders.com
	Institutional Trading Europe	+31 20 799 6 777	fit@flowtraders.com

DISCLAIMER

The information contained in this document is for general informational purposes only and does not constitute an offer, solicitation, invitation or recommendation to buy or sell any futures contracts or other products or to provide any investment advice or service of any kind. This document is not directed at, and is not intended for distribution to or use by, any person or entity in any jurisdiction or country where such distribution or use would be contrary to law or regulation or which would subject Hong Kong Exchanges and Clearing Limited ("HKEX"), Hong Kong Futures Exchange Limited ("HKFE") (together, the "Entities", each an "Entity"), or any of their affiliates, or any of the companies that they operate, to any registration requirement within such jurisdiction or country. No section or clause in this document may be regarded as creating any obligation on the part of any of the Entities. Rights and obligations with regard to the trading, clearing and settlement of any futures contracts effected on HKFE shall depend solely on the applicable rules of HKFE and the relevant clearing house, as well as the applicable laws, rules and regulations of Hong Kong. Although the information contained in this document is obtained or compiled from sources believed to be reliable, neither of the Entities guarantees the accuracy, validity, timeliness or completeness of the information or data for any particular purpose, and the Entities and the companies that they operate shall not accept any responsibility for, or be liable for, errors, omissions or other inaccuracies in the information or for the consequences thereof. The information set out in this document is provided on an "as is" and "as available" basis and may be amended or changed. It is not a substitute for professional advice which takes account of your specific circumstances and nothing in this document constitutes legal advice. Neither of the Entities shall be responsible or liable for any loss or damage, directly or indirectly, arising from the use of or reliance upon any information provided in this document.

DISCLAIMER OF MSCI

MSCI and the MSCI index names are service marks of MSCI Inc. ("MSCI") or its affiliates and have been licensed for use by Hong Kong Futures Exchange Limited. Futures contracts and options contracts on any MSCI index ("Index Contracts") are not sponsored, guaranteed or endorsed by MSCI, its affiliates or any other party involved in, or related to, making or compiling such MSCI index. Neither MSCI, its affiliates nor any other party involved in, or related to, making or compiling any MSCI index makes any representations regarding the advisability of investing in such Index Contracts. Neither MSCI, its affiliates nor any other party involved in, or related to, making or compiling any MSCI index makes any warranty, express or implied, or bears any liability as to the results to be obtained by any person or any entity from the use of any such MSCI index or any data included therein. No purchaser, seller or holder of this security, or any other person or entity, should use or refer to any MSCI trade name, trademark or service mark to sponsor, endorse, market or promote this security without first contacting MSCI to determine whether MSCI's permission is required.

