

**HANG SENG INDEX (HSI) AND  
HANG SENG CHINA ENTERPRISES INDEX (HSCEI)**

Both HSI and HSCEI are key stock market benchmark indices in Hong Kong, widely used by investors to gauge their investment performances. The HSI is the key benchmark representing the performance of the Hong Kong stock market. The HSCEI tracks the performances of Mainland Chinese companies listed in Hong Kong, including H shares, Red-chips and private enterprises. Both indices are free-float adjusted market capitalisation weighted, with a 10-per cent-cap on the weighting of individual constituent securities. Both indices are compiled and calculated by Hang Seng Indexes Company Limited (HSIL).



**WEEKLY INDEX OPTIONS**

To supplement the existing monthly index options, introduction of the weekly index options contracts on HSI and HSCEI aims to provide risk management tools for investors to manage their short-term risks on the exposure of HSI and HSCEI positions.

Weekly index options are similar to the monthly index options except that they expire on the last business day of every week instead of the second last business day of the month.

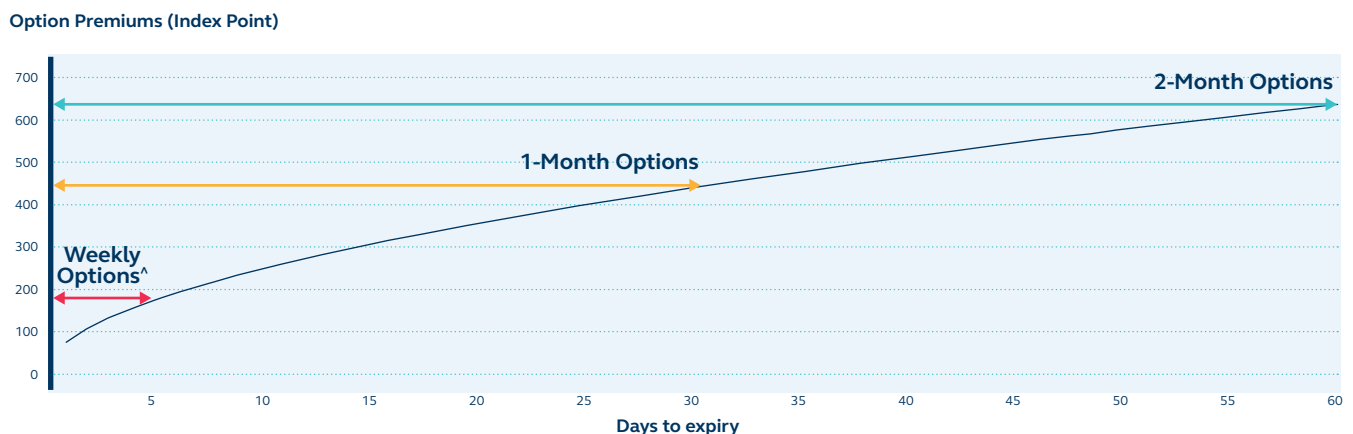


**FEATURES OF WEEKLY INDEX OPTIONS**

With a shorter maturity, weekly index options contracts would have a much lower option premium and faster time decay comparing to the monthly index options contracts, thus allowing short-term trading and more attractive short options strategies.

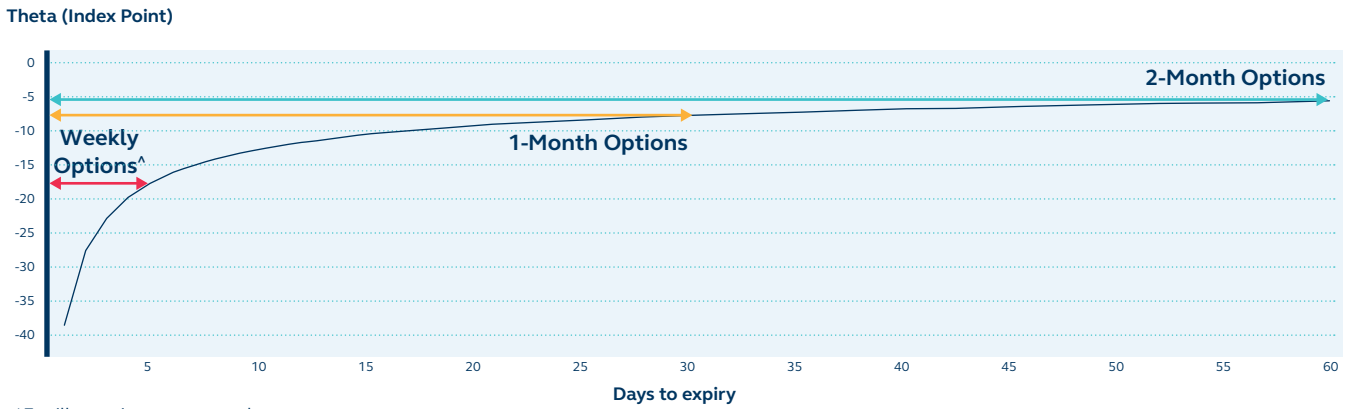
Investors can now target a specific time period to deploy their short-term trading strategies using weekly index options.

**Figure 1. Comparison of Option Premiums between Weekly and Monthly Options\***



\*For illustration purpose only  
<sup>^</sup>Spot week contract

Figure 2. Comparison of Time Decay Factors of Option Premiums between Weekly and Monthly Options\*



\*For illustration purpose only  
^Spot week contract

### USAGES OF WEEKLY INDEX OPTIONS

Weekly index options are useful for investors in the following ways :



#### COST EFFECTIVE

Trading or hedging against short-term market events with relatively low option premium.



#### YIELD ENHANCEMENT

Employing short options strategies to capture option premium by taking advantage of the rapid time decay of its premium.



#### OPTION RISK MANAGEMENT

Managing the risks of options portfolio (delta, gamma and vega, etc) more effectively.

Weekly index options can also be used for options trading strategies such as covered calls, call/put spreads, straddles etc. at a relatively low cost.

### CONTRACT SPECIFICATIONS

ITEMS	WEEKLY HSI OPTIONS	WEEKLY HSCEI OPTIONS
<b>Underlying Index</b>	HSI	HSCEI
<b>Trading Symbol</b>	<p>“HSI” + Strike + Month + Year + “W” + Expiry Day e.g. HSI27000I9W20</p> <p>Where: -“HSI” means underlying code; -“27000” means strike price; -“I” means Sep call - contract month; -“9” means year 2019 contract; -“W20” means weekly product with 20th of the month as expiry</p>	<p>“HHI” + Strike + Month + Year + “W” + Expiry Day e.g. HHI10400I9W20</p> <p>Where: -“HHI” means underlying code; -“10400” means strike price; -“I” means Sep call - contract month; -“9” means year 2019 contract; -“W20” means weekly product with 20th of the month as expiry</p>

## CONTRACT SPECIFICATIONS

ITEMS	WEEKLY HSI OPTIONS	WEEKLY HSCEI OPTIONS
<b>Contract Multiplier</b>	HK\$50 per Index point	
<b>Strike Prices</b>	<p><b>Index points</b></p> <p>Below 5,000</p> <p>At or above 5,000 but below 20,000</p> <p>At or above 20,000</p>	<p><b>Intervals</b></p> <p>50</p> <p>100</p> <p>200</p>
<b>Contract Weeks</b>	Spot Week and the next week, except where the Expiry Day of the Weekly Contract is the same as the Expiry Day of the Spot Month HSI Option Contract	Spot Week and the next week, except where the Expiry Day of the Weekly Contract is the same as the Expiry Day of the Spot Month HSCEI Option Contract
<b>Trading Hours</b> (Hong Kong time)	<p><b>T Session</b></p> <p>9:15 am - 12:00 noon (morning trading session)</p> <p>1:00 pm - 4:30 pm (afternoon trading session)</p> <p>(Expiring contract closes at 4:00 pm on the Expiry Day)</p> <p><b>T+1 Session</b></p> <p>5:15 pm - 3:00 am (after-hours trading session)</p>	
<b>Expiry Day</b>	The last Business Day of the Contract Week	
<b>Final Settlement Price</b>	Average of the index values taken at 5 minute interval on the Expiry Day	
<b>Trading Fee</b>	HK\$10	HK\$3.5
<b>Settlement Fee</b>	HK\$10	HK\$3.5

## INFORMATION VENDORS AND ACCESS CODES

NAME OF VENDOR	WEEKLY HSI OPTIONS	WEEKLY HSCEI OPTIONS
AASTOCKS.com Limited	322105	322125
DB Power Online Ltd	HSI	HHI
ET Net Limited	Menu “Futures/Options” > “Futures/Options Quotation (Short-term)” Access code: The series name	Menu “Futures/Options” > “Futures/Options Quotation (Short-term)” Access code: The series name
Infocast Limited	HSI	HHI
MegaHub Limited	HSI	HHI
N2N-AFE	873101	873121
Refinitiv	<0#HSIW*.HF>	<0#HCEIW*.HF>
Tele-Trend Ltd	File->Open->Options->HSI	File->Open->Options->HHI

For a complete and most updated list of access codes on information vendors, please visit [www.hkex.com.hk](http://www.hkex.com.hk).

### ENQUIRY

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