

September 2019

OVERVIEW

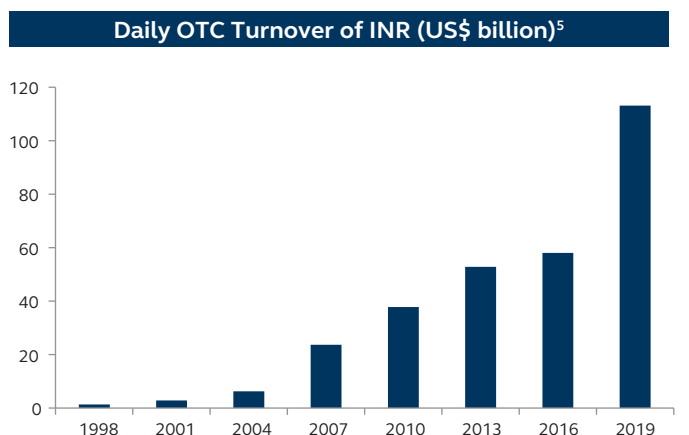
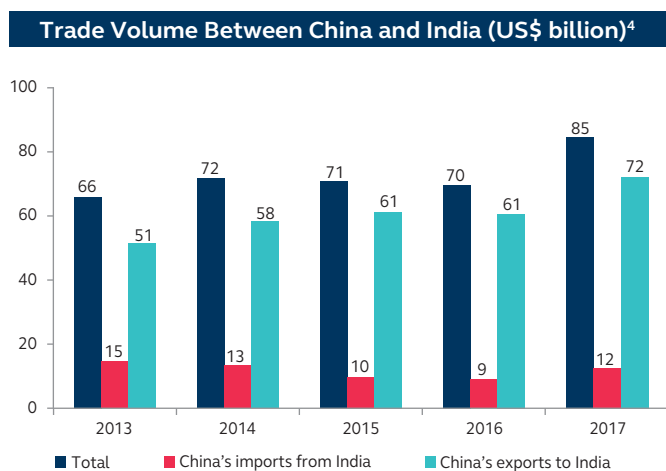
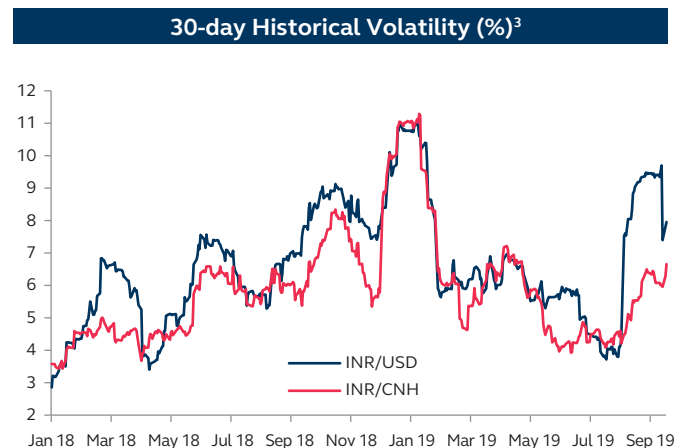
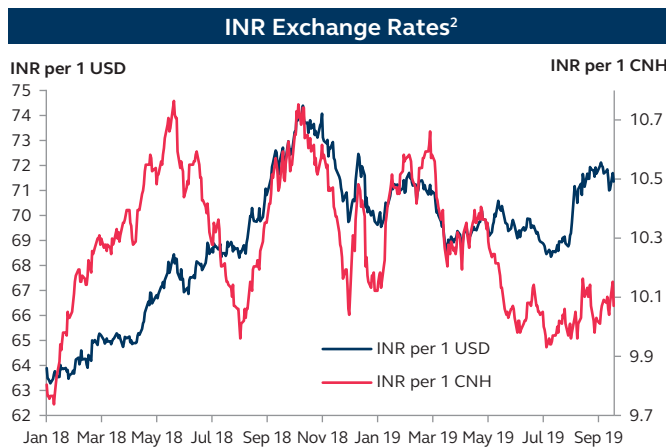
As one of the most rapidly growing emerging market currencies, the Indian Rupee (INR) is the fourth largest traded currency in the FX Non-Deliverable Forwards (NDF) market in Hong Kong¹. Growing usage of the INR sets the demand for a capital-efficient risk management tool to increase. HKEX's INR/CNH futures, the world's first listed INR/CNH Futures, together with INR/USD Futures, provide transparency in price discovery and act as efficient tools for investors to manage their INR exposures.

TRADING BENEFITS



* For block trade quote enquiries please call +852 2840 3726 / 2211 6123.

MARKET ANALYSIS



¹ Hong Kong Monetary Authority, Quarterly Bulletin, March 2018, Understanding Foreign Exchange Derivatives Using Trade Repository Data: The Non-deliverable Forward market; ² Calculated from Bloomberg INR/USD and INR/CNH exchange rates; ³ Bloomberg; ⁴ Ministry of Commerce, PRC; ⁵ Triennial Central Bank Survey of foreign exchange and OTC derivatives markets in 2019, FX turnover by currency, 1998-2019

HIGHLIGHTS

INR/USD Futures

The growing economic interdependence of India and China, reflected by the increasing trading volumes between the two countries, has created demand for cross-border payments between China and India. The contracts are designed to support trading activities of import-export companies, the majority of which are denominated in the USD.

INR/CNH Futures

As the first listed futures of the INR/CNH pair, the contract ties the world's two most populous nations together. The pair would support the Renminbi (RMB)'s globalisation and meet risk management demands spanning from Asia and beyond under the Belt and Road Initiative.

KEY PRODUCT SPECIFICATIONS

Product Name	INR/USD Futures	INR/CNH Futures
HKATS Code	UIN	CIN
Price Quotation	US cents per 100 INR	RMB cents per 100 INR
Contract Size	INR 2,000,000	
Contract Months	Spot month, the next calendar month and the next two calendar quarter months	
Minimum Fluctuation	US cents 0.01 (2 decimal places)	RMB cents 0.01 (2 decimal places)
Tick Value	USD 2	RMB 2
Settlement Method	Cash settled in USD	Cash settled in RMB
Trading Hours	8:30 am – 4:30 pm (T Session) 5:15 pm – 3:00 am (T+1 Session)	
Last Trading Day (LTD)	Two Mumbai Business Days prior to the last Mumbai Business Day of the Contract Month. If it is not a Hong Kong Business Day, the LTD shall be the immediately preceding Mumbai Business Day that is also a Hong Kong Business Day	Two Hong Kong Business Days prior to the third Wednesday of the Contract Month. If it is not a Mumbai Business Day, the LTD shall be the immediately preceding Mumbai Business Day that is also a Hong Kong Business Day
Final Settlement Day	The first Hong Kong Business Day after the LTD	
Final Settlement Price	The reciprocal of the INR per USD (INR/1USD) reference rate published by Financial Benchmarks India Private Limited (FBIL) at 1:30 pm (Mumbai time) on the LTD multiplied by 10,000 and rounded to 2 decimal places	The reciprocal of the INR per USD (INR/1USD) reference rate published by FBIL at 1:30 pm (Mumbai time) multiplied by 10,000 and the WM/Reuters Intraday Spot Rate for USD/CNH at 3:00 pm (Hong Kong time) on the LTD, rounded to 2 decimal places
Block Trade Threshold	50 contracts	

Should Participants have enquiries about INR Currency Futures please contact FICD@hkex.com.hk, or visit www.hkex.com.hk/fx.

DISCLAIMER

The WM/Reuters Intraday Spot Rates are provided by The World Markets Company plc ("WM") in conjunction with Reuters. WM shall not be liable for any errors in or delays in providing or making available the data contained within this service or for any actions taken in reliance on the same, except to the extent that the same is directly caused by its or its employees' negligence.

RISKS OF TRADING FUTURES

Futures involve a high degree of risk. Losses from futures trading can exceed your initial margin funds and you may be required to pay additional margin funds on short notice. Failure to do so may result in your position being liquidated and you being liable for any resulting deficit. You must therefore understand the risks of trading in futures and should assess whether they are right for you. You are encouraged to consult a broker or financial advisers on your suitability for futures trading in light of your financial positions and investment objectives before trading. 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 intended for distribution to or use by individual investors. 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.

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