

October 2016

TR/HKEX RMB CURRENCY INDICES (RXY)

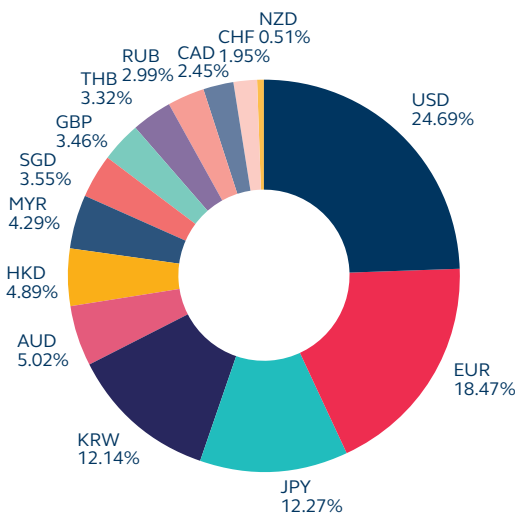
The RXY indices offer independent, transparent and timely benchmarks for Renminbi (RMB) against Mainland China's most important trade partners' currencies. The indices are calculated based on WM/Reuters foreign exchange (FX) rates and managed in accordance with the International Organisation of Securities Commissions (IOSCO) principles for financial benchmarks.

CO-DEVELOPED WITH THOMSON REUTERS

The RXY indices have been created in collaboration with Thomson Reuters, a leading news, information and data provider in global FX markets. The RXY indices are designed to be the basis for investment and trading products such as futures, options and exchange traded funds.

PRIMARY INDEX: TR/HKEX RXY GLOBAL CNH CURRENCY INDEX

Index Weights: Valid Until 29 September 2017



METHODOLOGY

Calculation Method:	Geometric Average
Weighting Method:	Bilateral trade weighted with adjustment for Hong Kong re-exports
Trade Data Source:	UN Comtrade, Hong Kong Census and Statistics Department
Weighting Rebalance:	Annual review. Announcement in June, implementation first business day of Q4
Index Calculation Frequency:	Hourly
FX Rate Data Source:	WM/Reuters FX Rates
Base Date:	100 as of 31 December 2014

For more details, a complete methodology document is available at: financial.thomsonreuters.com/fxindices.

For inquiries, please email to FICD@hkex.com.hk.

INDEX WEIGHTS			
Currency	RXY Global Currency Indices	RXY Reference Currency Indices	CFETS RMB Index
USD	24.69%	28.09%	26.40%
EUR	18.47%	21.03%	21.39%
JPY	12.27%	13.97%	14.68%
KRW	12.14%	0.00%	0.00%
AUD	5.02%	5.72%	6.27%
HKD	4.89%	5.56%	6.55%
MYR	4.29%	4.88%	4.67%
SGD	3.55%	4.04%	3.82%
GBP	3.46%	3.93%	3.86%
THB	3.32%	3.78%	3.33%
RUB	2.99%	3.41%	4.36%
CAD	2.45%	2.79%	2.53%
CHF	1.95%	2.22%	1.51%
NZD	0.51%	0.58%	0.65%

Primary Index Name	Basket Currencies	Base Currency	Base Value	Base Date	Timeseries Start	RIC
TR/HKEX RXY Global CNH	AUD, CAD, CHF, EUR, GBP, HKD, JPY, KRW, MYR, NZD, RUB, SGD, THB, USD	CNH	100	31 Dec, 2014	31 Dec, 2010	.RXYH

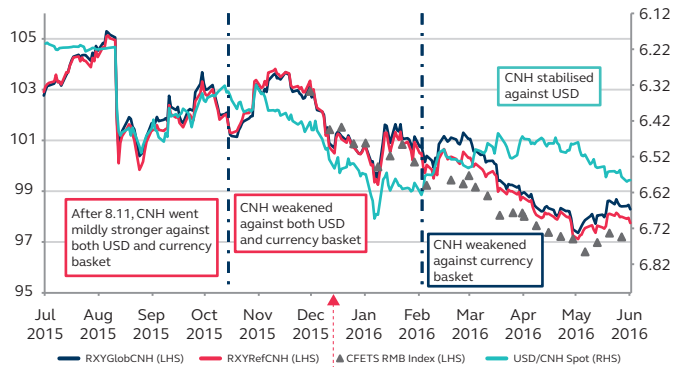
Index Variants	Basket Currencies	Base Currency	Base Value	Base Date	Timeseries Start	RIC
TR/HKEX RXY Global CNY	AUD, CAD, CHF, EUR, GBP, HKD, JPY, KRW, MYR, NZD, RUB, SGD, THB, USD	CNY	100	31 Dec, 2014	31 Dec, 2010	.RXY
TR/HKEX RXY Reference CNH	AUD, CAD, CHF, EUR, GBP, HKD, JPY, MYR, NZD, RUB, SGD, THB, USD	CNH	100	31 Dec, 2014	31 Dec, 2010	.RXYRH
TR/HKEX RXY Reference CNY	AUD, CAD, CHF, EUR, GBP, HKD, JPY, MYR, NZD, RUB, SGD, THB, USD	CNY	100	31 Dec, 2014	31 Dec, 2010	.RXYRY

Source: HKEX, Thomson Reuters, China Foreign Exchange Trade System (CFETS)
Note: CNY stands for Onshore RMB, CNH stands for Offshore RMB.

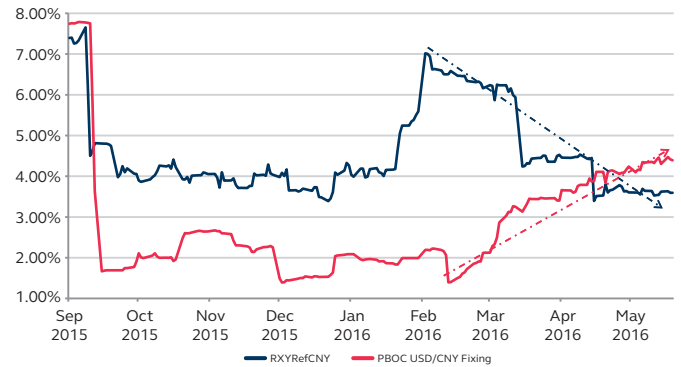
HISTORICAL PERFORMANCE

- Following People's Bank of China's (PBOC) USD/CNY fixing regime reform announced on 11 August 2015, the CNH's performance against a basket of currencies was mostly in line with its performance against USD until recently.
- Since March this year, CNH has weakened against a basket of currencies, but stabilised in range against the USD. The CNY's performance has been similar.
- After 11 August 2015, the volatility of CNY against a basket of currencies peaked towards 8%, before descending to the range of 3-5% towards the end of year.
- Since February this year, the PBOC's policy of keeping the CNY "stable against a basket of currencies" has had a significant impact in the market, with the volatility of the CNY against a basket of currencies trending down to the range of 3-4%. On the back of low volatility of the CNY against a basket of currencies, the USD/CNY fixing rate could show more volatility going forward.

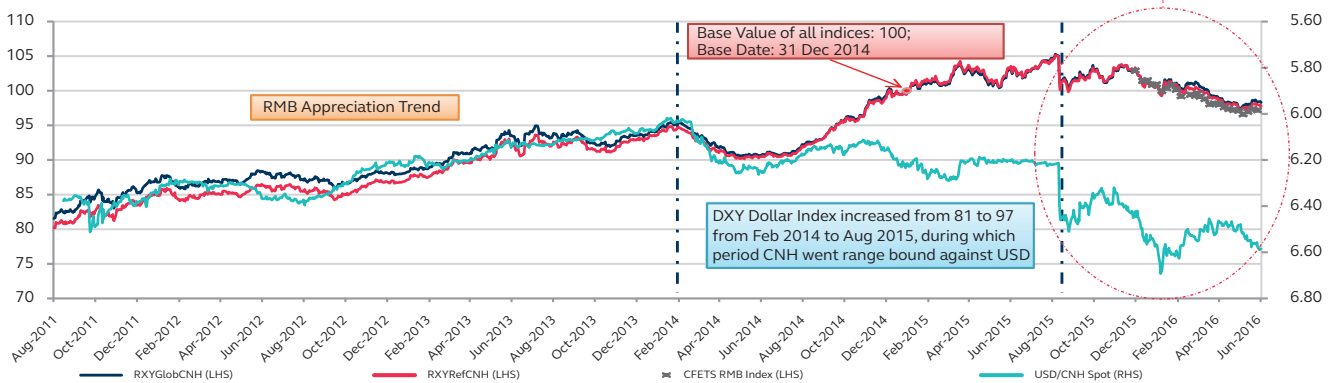
CNH Currency Basket's Performance Diverged from USD/CNH



30-Day Realised Volatility of RXYRY and PBOC USD/CNY Fixing



Historical Performance of RXY CNH Indices



Source: HKEX, Thomson Reuters, CFETS

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.

The following disclaimers and copyright notice regarding information provided on the Treasury Markets Association's website:

Disclaimer

The information provided on this website is for reference only. Although extreme care has been taken to ensure that the information provided on this website is accurate and up-to-date, Treasury Markets Association (TMA) does not warrant that all, or any part of, the information provided is accurate in all respects. You are encouraged to conduct your own enquiries to verify any particular piece of information provided on this website. TMA shall not be liable for any loss or damage suffered as a result of any use or reliance on any of the information provided on its website.

This website contains hyperlinks to websites provided by other organisations. The hyperlinks are provided for your convenience only. TMA does not provide any warranty, express or implied, or take any responsibility for the content or any other aspects of those sites, and shall not be liable for any damages or losses arising from access to those websites.

Copyright Notice

The content available on this website, including but not limited to all text, graphics, drawings, diagrams, photographs and compilation of data or other materials, are protected by copyright. TMA is the owner of all copyright works contained in this website. The information or part of it may be re-disseminated or reproduced provided the source of the information is acknowledged and that the re-dissemination or reproduction is for a non-commercial purpose.

ADDITIONAL DISCLAIMER OF HKEX

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 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.

