

Trading hours

	Exchange Traded Funds (ETFs)	Leveraged and Inverse Products (L&I Products)
Pre-opening Session: 9:00 a.m. – 9:30 a.m.	✓	✓
Continuous Trading Session: 9:30 a.m. – 4:00 p.m.	✓	✓
Closing Auction Session: 4:00 p.m. – 4:10 p.m.	✓	✗

Market making, short selling and tick rule exemption

- Exchange Traded Product (ETPs) are eligible for securities market making, short selling with tick rule exemption (i.e. short sales below the best current ask price).
- Each ETP generally has at least one market maker who offers bid and ask prices and provides enhanced liquidity for ETPs.

Quotation and spread

- Quotation of ETPs is the same as other stocks unless otherwise mentioned.
- All ETPs follow the [Spread Table](#) (Part A) in the Second Schedule of the Rules of the Exchange except for fixed income and currency ETPs which follow the [Spread Table](#) (Part B) and are traded at a uniform spread of \$0.050.

Settlement arrangements

- ETPs are settled on T+2 through CCASS on a Continuous Net Settlement (CNS) basis.

Creation / Redemption

- HK Conversion Agency Services Limited (HKCAS) can act as a service agent or conversion agent during the ETP creation / redemption process.
- Service agent
 - HKCAS can act as a service agent for most ETFs tracking non-Hong Kong equities and L&I Products. As a service agent, HKCAS facilitates the book-entry deposit / withdrawal of the ETP units into / from CCASS for the ETP units created / redeemed outside CCASS.
 - Fees charged by HKCAS:
 - Book-entry deposit / withdrawal transaction: HK\$1,000 per transaction, payable by Participating Dealers (PDs)
 - Reconciliation fee: HK\$5,000 per month, payable by the ETP issuer
- Conversion agent
 - HKCAS can act as a conversion agent for most ETFs tracking Hong Kong equities. As a conversion agent, HKCAS facilitates the settlement of ETP unit creation and redemption instructions submitted by PDs via CCASS.
 - Fees charged by HKCAS:
 - Conversion agent's fee: HK\$5,000 – \$12,000 depending on the aggregate market value of creation/redemption instructions of a PD for the day, payable by the ETP issuer
 - Unit cancellation fee: HK\$1 per board lot, payable by the ETP issuer

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