

香港期貨結算有限公司

(香港交易及結算所有限公司全資附屬公司)

HKFE CLEARING CORPORATION LIMITED

(A wholly-owned subsidiary of Hong Kong Exchanges and Clearing Limited)

通告 CIRCULAR

Subject: Risk Management Arrangements in respect of the Christmas Holidays and New Year Holiday – **Reminder**
Enquiry: 2211-6901

Reference is made to the circular dated 11 December 2018 (Ref No.: [CD/CDCRM/234/2018](#)) regarding the risk management arrangements in respect of the forth-coming Christmas Holidays. Participants are kindly reminded to take note of the following:

- The margin levels of Hang Seng Index (“HSI”), Mini-Hang Seng Index (“MHI”), HSCEI Index (“HHI”), Mini-HSCEI Index (“MCH”), USD/CNH Futures (“CUS”) and CNH/USD Futures (“UCN”) futures contracts will be increased temporarily¹ after the close of business of T session on **21 December 2018** as follows:

		<u>Client Margin</u>		<u>Clearing House Margin</u>
		<u>Initial</u>	<u>Maintenance</u>	
		<u>(HK\$)</u>	<u>(HK\$)</u>	<u>(HK\$)</u>
HSI	Current Level	103,341 per lot	82,672 per lot	77,700 per lot
	Temporarily Increased Level	107,464 per lot	85,971 per lot	80,800 per lot
MHI	Current Level	20,668 per lot	16,534 per lot	15,540 per lot
	Temporarily Increased Level	21,492 per lot	17,193 per lot	16,160 per lot
HHI	Current Level	41,496 per lot	33,196 per lot	31,200 per lot
	Temporarily Increased Level	43,158 per lot	34,526 per lot	32,450 per lot
MCH	Current Level	8,299 per lot	6,639 per lot	6,240 per lot
	Temporarily Increased Level	8,631 per lot	6,904 per lot	6,490 per lot

¹ The spread margin rates will remain unchanged during this period.

		<u>Client Margin</u>		<u>Clearing House Margin</u>
		<u>Initial</u>	<u>Maintenance</u>	
		<u>(RMB)</u>	<u>(RMB)</u>	<u>(RMB)</u>
CUS	Current Level	12,967 per lot	10,373 per lot	9,750 per lot
	Temporarily Increased Level	16,492 per lot	13,193 per lot	12,400 per lot
		<u>(USD)</u>	<u>(USD)</u>	<u>(USD)</u>
UCN	Current Level	891 per lot	712 per lot	670 per lot
	Temporarily Increased Level	1,150 per lot	920 per lot	865 per lot

The margin levels of HSI, MHI, HHI, MCH, CUS and UCN futures contracts will be restored to the current levels after the close of business on **24 December 2018**.

The margin levels of HSI Dividend Point Index (“DHS”), HSCEI Dividend Point Index (“DHH”) futures contracts will remain unchanged. For avoidance of doubt, the current margin levels of DHS and DHH are restated below:

		<u>Client Margin</u>		<u>Clearing House Margin</u>
		<u>Initial</u>	<u>Maintenance</u>	
		<u>(HK\$)</u>	<u>(HK\$)</u>	<u>(HK\$)</u>
DHS	Current Level	5,439 per lot	4,351 per lot	4,090 per lot
DHH	Current Level	2,274 per lot	1,819 per lot	1,710 per lot

- Mandatory intra-day variation adjustments on Clearing Participants in HSI, MHI, HHI, MCH, DHS, DHH, CUS and UCN markets will be made at around 12:00 noon on **24 December 2018** and **31 December 2018**.

To assist Participants in better assessing the potential margin impacts, the Clearing House has made available a simulated Risk Parameter File (“Simulated RPF”) on the HKEX website for Participants’ margin estimation purpose. This Simulated RPF is prepared based on the settlement prices of 14 December 2018 and the temporarily increased margin levels. Participants may make use of the simulated RPF to estimate the clearing house margin requirements under the temporarily increased margin levels for their portfolios as well as the estimated funding

requirements thereof. Participants should note that the simulated RPF is for reference only and does not intend to replace any daily RPF which are available at the end of each business day for the calculation of the actual day-end margin requirements.

For the purpose of the Capital-Based Position Limit (CBPL) assessment and the necessary additional margin calculation on the trading day prior to the holiday period, the normal margin rates instead of the temporarily increased holiday margin rates will be applied. In this regard, the Clearing House will disseminate the tailor-made risk parameter file carrying the normal margin rates ("Normal Margin RPF") via its website after the close of business on 21 December 2018 to assist participants in monitoring their CBPL.

The "Simulated RPF" and the "Normal Margin RPF" as mentioned above can be downloaded from the HKEX website with the hyperlink stated below:

http://www.hkex.com.hk/-/media/HKEX-Market/Services/Clearing/Listed-Derivatives/Risk-Management/Reports-and-Data-Download/Simulated-RPF-for-Holiday-Margin/holidayrpf_dec18.zip

Please ensure your staffs are fully aware of both the temporary increase in the margin levels and the mandatory intra-day variation adjustments and make necessary arrangement with your designated bank. You are also strongly advised to give advanced notice to your clients regarding these arrangements where appropriate and ensure adequate margin deposits from your clients are maintained during the holiday period.

The Clearing House considers it appropriate to remind you the importance of having proper arrangement in place before and after the holiday period as those days are normal settlement days. In case of any key staffs on vacation before and after the holiday period, please ensure your backup staffs are familiar with the operational and monitoring procedures to adequately monitor your exposure and fulfill the payment obligations to the Clearing House on time. Any failure in meeting the settlement timelines is an event of default under HKCC Rule 509. Please refer to the circular issued on 26 January 2018 (Ref: [CD/CDCRM/022/2018](#)) for more details on the payment obligations of the Participant and the consequence of the delay or failure in meeting the obligations.

For and on behalf of
HKFE Clearing Corporation Limited

Samson Ip
Authorized Signatory