

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: Introduction of margin offset to additional product pairs

Enquiry: 2211-6901

Please be advised that with regards to the continuous support of the margin offset initiatives, HKFE Clearing Corporation Limited (HKCC) is pleased to announce that margin offsets will be offered to the following 12 new product pairs via inter-commodity spread functionality in PRiME¹ according to the schedule below in October and November 2019.

Effective from 2 October 2019

1. Hang Seng Index (Gross Total Return Index) Futures vs Hang Seng Index Products
2. Hang Seng China Enterprises Index (Gross Total Return Index) Futures vs Hang Seng Index Products
3. Hang Seng China Enterprises Index (Net Total Return Index) Futures vs Hang Seng Index Products
4. Hang Seng Index (Gross Total Return Index) Futures vs Hang Seng China Enterprises Index Products
5. Hang Seng Index (Net Total Return Index) Futures vs Hang Seng China Enterprises Index Products
6. Hang Seng China Enterprises Index (Gross Total Return Index) Futures vs Hang Seng China Enterprises Index Products

¹ Please refer to section 2.7 of [PRiME Margining Guide](#) for details.

Effective from 1 November 2019

7. Hang Seng Index (Net Total Return Index) Futures vs Hang Seng Index (Gross Total Return Index) Futures
8. Hang Seng China Enterprises Index (Gross Total Return Index) Futures vs Hang Seng Index (Gross Total Return Index) Futures
9. Hang Seng China Enterprises Index (Net Total Return Index) Futures vs Hang Seng Index (Gross Total Return Index) Futures
10. Hang Seng China Enterprises Index (Gross Total Return Index) Futures vs Hang Seng Index (Net Total Return Index) Futures
11. Hang Seng China Enterprises Index (Net Total Return Index) Futures vs Hang Seng Index (Net Total Return Index) Futures
12. Hang Seng China Enterprises Index (Net Total Return Index) Futures vs Hang Seng China Enterprises Index (Gross Total Return Index) Futures

The margin offset parameters of the above product pairs, i.e. Delta/Spread Ratio and Spread Credit Rate will be announced in due course. Participants are advised to make necessary arrangement for the launch.

Upon the implementation of the above margin offset arrangement, the above product pairs will be combined into one product group for the purpose of Participant's concentration risk assessment. Participants are advised to make necessary funding arrangement to meet the additional margin call in relation to concentration risk, if any, arising from the above change. Further details of the concentration risk policy and a list of the product groups can be found in the HKEX website².

For and on behalf of
HKFE Clearing Corporation Limited

Samson Ip
Authorized Signatory

² https://www.hkex.com.hk/Services/Clearing/Listed-Derivatives/Risk-Management/The-Safeguards?sc_lang=en