

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 Lunar New Year Holidays – **Reminder**

Enquiry: 2211-6901

Reference is made to the circular dated 18 January 2022 (Reference No.: [CD/CDCRM/018/2022](#)) regarding the risk management arrangements in respect of the forth-coming Lunar New Year Holidays. Participants are kindly reminded to take note of the following:

- The margin levels of Hang Seng Index (“HSI”), Mini-Hang Seng Index (“MHI”), Hang Seng China Enterprises Index (“HHI”), Mini-Hang Seng China Enterprises Index (“MCH”), Hang Seng TECH Index (“HTI”), MSCI Japan Net Total Return (USD) Index (“MJU”), MSCI Taiwan (USD) Index (“MTW”), CNH/USD (“UCN”) and China Merchants Bank Co., Ltd. (“CMB”) futures contracts will be increased temporarily¹ after the close of business of T session on **28 January 2022** as follows:

		<u>Client Margin</u>		<u>Clearing House Margin</u>
		<u>Initial</u>	<u>Maintenance</u>	
		<u>(HKD)</u>	<u>(HKD)</u>	<u>(HKD)</u>
HSI	Current Level	87,979 per lot	70,383 per lot	66,150 per lot
	Temporarily Increased Level	112,185 per lot	89,748 per lot	84,350 per lot
MHI	Current Level	17,595 per lot	14,076 per lot	13,230 per lot
	Temporarily Increased Level	22,437 per lot	17,949 per lot	16,870 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>(HKD)</u>	<u>(HKD)</u>	<u>(HKD)</u>
HHI	Current Level	32,319 per lot	25,855 per lot	24,300 per lot
	Temporarily Increased Level	45,020 per lot	36,016 per lot	33,850 per lot
MCH	Current Level	6,463 per lot	5,170 per lot	4,860 per lot
	Temporarily Increased Level	9,004 per lot	7,203 per lot	6,770 per lot
HTI	Current Level	28,089 per lot	22,471 per lot	21,120 per lot
	Temporarily Increased Level	41,469 per lot	33,175 per lot	31,180 per lot
CMB	Current Level	2,739 per lot	2,191 per lot	2,060 per lot
	Temporarily Increased Level	4,748 per lot	3,798 per lot	3,570 per lot
		<u>(USD)</u>	<u>(USD)</u>	<u>(USD)</u>
MJU	Current Level	4,136 per lot	3,308 per lot	3,110 per lot
	Temporarily Increased Level	5,413 per lot	4,330 per lot	4,070 per lot
MTW	Current Level	4,242 per lot	3,393 per lot	3,190 per lot
	Temporarily Increased Level	4,588 per lot	3,670 per lot	3,450 per lot
UCN	Current Level	809 per lot	647 per lot	609 per lot
	Temporarily Increased Level	816 per lot	652 per lot	614 per lot

The margin levels of HSCEI Dividend Point Index (“DHH”), USD/CNH (“CUS”) and MSCI China A 50 Connect (USD) Index (“MCA”) futures contracts will remain unchanged. For avoidance of doubt, the current margin levels of DHH, CUS and MCA are restated below:

		<u>Client Margin</u>		<u>Clearing House Margin</u>
		<u>Initial</u>	<u>Maintenance</u>	
		<u>(HKD)</u>	<u>(HKD)</u>	<u>(HKD)</u>
DHH	Current Level	1,449 per lot	1,159 per lot	1,090 per lot

CUS	Current Level	<u>(RMB)</u> 11,092 per lot	<u>(RMB)</u> 8,873 per lot	<u>(RMB)</u> 8,340 per lot
MCA	Current Level	<u>(USD)</u> 4,960 per lot	<u>(USD)</u> 3,968 per lot	<u>(USD)</u> 3,730 per lot

The margin levels of HSI, MHI, HHI, MCH, HTI, MJU, MTW, UCN and CMB futures contracts will be restored to the current levels after the close of business on **31 January 2022**.

2. Mandatory intra-day variation adjustments on Clearing Participants in HSI, MHI, HHI, MCH, DHH, HTI, MCA, MJU, MTW, CUS, UCN and CMB markets will be made at around 12:00 noon on **31 January 2022**.
3. As there will be no T+1 session on 31 January 2022, no Mandatory Intra-day Variation Adjustment and Margin Call will be made by the Clearing House on the business day after the holidays, i.e. Friday, 4 February 2022.

A simulated Risk Parameter File (RPF) with temporarily increased margin levels to assist Participants for margin estimation will be provided upon request by email to RMInquiry@hkex.com.hk.

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 **28 January 2022** to assist participants in monitoring their CBPL.

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_Jan22.zip

Please ensure that 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 that 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 13 August 2021 (Reference No.: [CD/CDCRM/237/2021](#)) 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

Sally Tai
Authorized Signatory