

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: Preparation for Forthcoming Launch of Enhanced Daily Settlement Price
Methodology for HKCC Flagship Products
Enquiry: QRMDSP@hkex.com.hk

In preparation of the forthcoming launch of an enhanced Daily Settlement Price (“DSP”) methodology for the HKFE Clearing Corporation Limited (“HKCC”) Flagship Products, namely Hang Seng Index (“HSI”), Hang Seng China Enterprises Index (“HSCEI”) and Hang Seng TECH Index (“HSTECH”) Futures and Options, together with related mini HSI and HSCEI contracts, subject to regulatory approval, a Market Familiarisation phase will be conducted. The enhanced DSP methodology is designed to improve the robustness, consistency and transparency of end-of-day price determination.

The Enhanced DSP Methodology

Under the enhanced DSP methodology, DSPs will be determined in accordance with a refined DSP waterfall framework, including:

- (i) the use of qualified and validated market observables in the price discovery process where available;
- (ii) the application of enhanced model-based theoretical prices where market data is insufficient or not appropriate;
- (iii) fallback to previous DSPs where necessary; and
- (iv) the exercise of HKCC’s discretion in exceptional circumstances to ensure fair and reasonable price determination.

Market Familiarisation Arrangements

To facilitate market participants’ preparation and assessment for the launch of the enhanced DSP methodology, a Market Familiarisation phase will be conducted from **4 May to 12 June 2026**. During

the Market Familiarisation phase, market participants will be provided with risk information package comprising the following:

1. Daily Delta information files¹ - containing instrument-level Delta results determined under the enhanced DSP methodology; and
2. Daily comparison files² - containing comparisons of DSPs and Delta results determined under the existing DSP methodology and the enhanced DSP methodology.

From 30 April 2026, risk data files containing one month of data will be provided in the information package. Thereafter, the package will be refreshed on a weekly basis to assist market participants' assessment, as set out in the table below.

Package Item	Date Available	Description
Batch 1 (Initial)	30 April 2026	One month of daily risk data files (1-29 April 2026)
Batch 2	11 May 2026	Weekly batch of risk data files (30 April-08 May 2026)
Batch 3	18 May 2026	Weekly batch of risk data files (11-15 May 2026)
Batch 4	26 May 2026	Weekly batch of risk data files (18-22 May 2026)
Batch 5 (Final)	1 June 2026	Weekly batch of risk data files (26-29 May 2026)

The materials will be available for download via either (i) [Client Connect](#) – Resource Area for Clearing Participants or (ii) [ECP](#) – Download Corner for Exchange Participants. For market participants without access to the above platforms, please contact us at QRMDSP@hkex.com.hk for the relevant information package. **Starting from 18 May 2026**, market participants are required to return the completed Feedback Form (see Attachment 1) no later than **12 Jun 2026**.

Participant Briefing Sessions

To support market participants in preparing for the implementation, three briefing sessions will be arranged as scheduled below to clarify the preparatory arrangements outlined in the circular and to address participants' questions. Participants are strongly encouraged to attend any one of the briefing sessions. Interested participants may register for their preferred session(s) by emailing QRMDSP@hkex.com.hk. Details of the briefing sessions are set out below:

¹ Aims to help market participants assess changes in delta and their corresponding impact on position limit compliance.

² Aims to help market participants assess changes to the DSP, and their corresponding impact on variation margin.

Date	Time	Briefing Format
6 May 2026	14:30 – 15:30	Online
8 May 2026	14:30 – 15:30	
12 May 2026	14:30 – 15:30	

Market participants are advised to take note of the enhancements and are reminded to make any necessary arrangements where appropriate. Should you have any queries regarding the above enhancements, please contact us at QRMDSP@hkex.com.hk.

Tao Chen
Managing Director
Group Risk Management

**Feedback Form for the Launch of
the Enhanced Daily Settlement Price (“DSP”) Methodology for HKCC Flagship
Products**

The feedback form subject regards the rollout of enhanced DSP methodology for the HKCC Flagship Products (covering Hang Seng Index (HSI), Hang Seng China Enterprises Index (HHI) and Hang Seng TECH Index (HTI) Futures & Options and related mini contracts). The enhanced DSP methodology is designed to improve the robustness, consistency and transparency of end-of-day price determination.

To confirm readiness, starting from 18 May 2026, market participants are required to return the completed Feedback Form to QRMDSP@hkex.com.hk no later than 12 June 2026.

Part I – Contact Person Information			
Full Company Name of Participant			
CP/EP ID (if applicable)			
Contact Person Name	Title	Business Email Address	Business Phone No.

Part II – Feedback <i>(Please tick the appropriate boxes)</i>	
<p>Q1. HKEX has provided a market familiarisation information package³, including instrument-level daily Delta information files and daily comparison files of DSP and Delta, to facilitate market participants’ assessment. Based on your review, have you identified any problems or concerns regarding the DSP and Delta information provided?</p>	<p><input type="checkbox"/> Yes, please specify below: _____</p> <p><input type="checkbox"/> No</p>
<p>Q2. Does your organisation support the forthcoming launch of enhanced DSP methodology in HKCC?</p> <p>The enhanced DSP methodology is designed to improve the robustness, consistency and transparency of end-of-day price determination, and to enhance the fairness of DSP pricing for respective contracts.</p>	<p><input type="checkbox"/> Yes</p> <p><input type="checkbox"/> No, please specify the reason below: _____</p>

³ Market familiarisation information package - the initial package containing 1-month of information files and subsequent 4 weekly risk file update batches. The materials are available for download via either Client Connect – Resource Area or ECP – Download Corner.

Part II – Feedback <i>(Please tick the appropriate boxes)</i>	
<p>Q3. If the forthcoming launch of the enhanced DSP methodology is announced to the market approximately two weeks prior to the effective date, is this lead time sufficient for your organisation?</p>	<p><input type="checkbox"/> Yes</p> <p><input type="checkbox"/> No, please specify the reason below:</p> <hr/>