

香港期貨交易所有限公司

(香港交易及結算所有限公司全資附屬公司)

HONG KONG FUTURES EXCHANGE LIMITED

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

通告 CIRCULAR

Subject: Introduction of New Stock Futures Contract on Budweiser Brewing Company APAC Limited

Enquiry: Mr. Wallace Chan (Tel: 2211-6139 E-mail: wallacechan@hkex.com.hk)
Ms. Flora Lo (Tel: 2211-6137 E-mail: floralo@hkex.com.hk)

Hong Kong Futures Exchange Limited (the "Exchange") is pleased to announce that stock futures contract on Budweiser Brewing Company APAC Limited ("Budweiser") will commence trading on **Monday, 30 September 2019** (Commencement Date), subject to the successful listing of Budweiser:

Underlying Stock (Stock Code)	HKATS Code	Contract Multiplier (Shares)	Minimum Price Fluctuation (HK\$)	No. of Board Lots	Tier Level	Trading Fee (HK\$)	Contract Months Available on the Commencement Day
Budweiser (1876)	BUD	1,000	\$0.01	10	1	\$3	Oct, Nov, Dec 2019, Mar and Jun 2020

The list of stock futures contracts available for trading is set forth in the Attachment I. For details of the contract specifications, please refer to the Exchange Rules.

Highlights of Trading Fee and Commission Levy Arrangement

Items	Details
Trading Fee waiver	Subject to fulfilment of obligations, trading fee waiver will be applied to market makers, liquidity providers and proprietary traders for Budweiser futures contracts traded on or before 31 December 2019
Commission levy waiver	The Commission Levy will be HK\$0.10 per contract per side. Pursuant to the Securities and Futures (Levy) Order for new futures contracts (s12, Cap 571Z), the Commission Levy for Budweiser stock futures will be waived for the first 6 months upon commencement of trading, i.e. 30 September 2019 to 27 March 2020, both days inclusive.

Position Limit

The position limit for the Budweiser stock futures will be 5,000 open contracts per contract month.

Market Making and Liquidity Provider Program

Budweiser stock futures will be included to the list of stock futures in the liquidity provider (LP) program and the obligation can be found in Attachment II.

During the first two weeks of the introduction of Budweiser stock futures (i.e. between 30 September 2019 and 11 October 2019), the market making / liquidity providing obligation in terms of the maximum bid / ask spread will be two times of the original obligation.

The Exchange now invites applications for liquidity providers and market makers. Interested parties should contact Mr. Charles Kwan (CharlesKwan@hkex.com.hk), Ms. Emily Huang (EmilyHuang@hkex.com.hk) or Mr. Edward Sit (EdwardSit@hkex.com.hk) for details.

Pre-launch Arrangements

The following pre-launch arrangements will be implemented on **Friday, 27 September 2019** (i.e. one business day before the Commencement Date):

- a. stock futures series of the new stock futures will be displayed, but not tradable; and
- b. the risk parameter files (RPF), clearing and open interest reports on new stock futures will be generated.

The purpose of the generation of RPF one business day before the Commencement Date is to assist Participants to estimate the margin requirements for the new stock futures Contracts trading on the Commencement Date.

Please note that the margin requirements estimated using the RPF available after the settlement process on the business day before the Commencement Date may not be the same as the actual amounts required on the Commencement Date. HKEX and its subsidiaries accept no liability whatsoever for any loss or damage arising from or in connection with the use of the information contained in such RPF. Participants who wish to use the above-mentioned RPF are reminded to update the PC-SPAN Organisation Master File. For details, please refer to the relevant Clearing House circular to be issued in due course.

Trading Information

The access codes of information vendors will be posted on the HKEX website in due course.

Inform Staff and Clients

Please notify all interested clients about the introduction of Budweiser stock futures and **pay attention that the contract multipliers will be in multiple board lots of the underlying stock.** Please ensure that your back office systems are ready for a smooth operation. In addition, all your staff should be fully aware of the above and should exercise caution when dealing with new stock futures contract and when advising your clients.

Investors should also be aware that some stock futures contracts have market makers signed up while others do not. Availability of market makers, depending on their sign-up, may also change

from time to time. The availability of market makers will be updated in [HKEX website](#) from time to time. Investors should exercise due caution in trading stock futures contracts without market makers and understand the liquidity risk involved. They would have to trade against other investors with opposite views when they open or close their stock futures positions.

Alexander Siu
Co-head
Equities Product Development
Markets Division

This circular has been issued in the English language with a separate Chinese language translation. If there is any conflict in the circulars between the meaning of Chinese words or terms in the Chinese language version and English words in the English language version, the meaning of the English words shall prevail.

List of Stock Futures Contracts Available for Trading

The following list of stock futures contracts are available for trading on the HKATS. Exchange Participants and their clients should be aware that stock futures contracts may or may not have market makers to provide bid / offer quotes for trading. Investors should exercise due caution and understand the liquidity risk involved when trading stock futures without market makers.

a) Stock futures with contract size more than one underlying board lot shares

No.	SEHK Code	Underlying Stocks	HKATS Code	Contract Multiplier (shares)	No. of Board Lots	Tier No.
1	16	Sun Hung Kai Properties Ltd.	SHK	1,000	2	1
2	175	Geely Automobile Holdings Ltd	GAH	5,000	5	1
3	656	Fosun International Ltd	FOS	10,000	20	1
4	788	China Tower Corporation Limited	TWR	10,000	5	2
5	823	Link Real Estate Investment Trust	LNK	1,000	2	1
6	981	Semiconductor Manufacturing International Corporation	SMC	5,000	10	1
7	998	China CITIC Bank Corporation Ltd.	CTB	20,000	20	1
8	1055	China Southern Airlines Co. Ltd.	SOA	10,000	5	1
9	1288	Agricultural Bank of China Ltd.	ABC	10,000	10	1
10	1299	AIA Group Ltd.	AIA	1,000	5	1
11	1336	New China Life Insurance Co. Ltd.	NCL	1,000	10	1
12	1359	China Cinda Asset Management Co., Ltd.	CDA	5,000	5	2
13	1766	CRRC Corporation Ltd.	CRR	10,000	10	1
14	1810	XiaoMi Corporation	MIU	1,000	5	2
15	1816	CGN Power Co., Ltd.	CGN	10,000	10	2
16	1876	Budweiser Brewing Company APAC Limited [^]	BUD	1,000	10	1
17	1918	Sunac China Holdings Ltd.	SUN	2,000	2	1
18	1988	China Minsheng Banking Corp., Ltd.	MSB	10,000	20	1
19	2007	Country Garden Holdings Co. Ltd.	COG	5,000	5	1
20	2018	AAC Technologies Holdings Inc.	AAC	1,000	2	1
21	2238	Guangzhou Automobile Group Co., Ltd.	GAC	4,000	2	1
22	2333	Great Wall Motor Co. Ltd.	GWM	10,000	20	1
23	2382	Sunny Optical Technology (Group) Co. Ltd.	SNO	1,000	10	1
24	2601	China Pacific Insurance Group Co. Ltd.	CPI	1,000	5	1
25	2800	Tracker Fund of Hong Kong	TRF	50,000	100	1
26	2822	CSOP FTSE China A50 ETF	CSA	5,000	25	1
27	2823	iShares FTSE A50 China Index ETF	A50	5,000	50	1

No.	SEHK Code	Underlying Stocks	HKATS Code	Contract Multiplier (shares)	No. of Board Lots	Tier No.
28	2828	Hang Seng China Enterprises Index ETF	HCF	5,000	25	1
29	2883	China Oilfield Services Ltd.	CHO	10,000	5	1
30	3188	China AMC CSI 300 index ETF	AMC	2,000	10	1
31	3333	Evergrande Real Estate Group Ltd.	EVG	2,000	2	1
32	3690	Meituan Dianping	MET	500	5	1
33	6030	CITIC Securities Co. Ltd.	CTS	1,000	2	2
34	6837	Haitong Securities Co. Ltd.	HAI	10,000	25	1
35	6886	Huatai Securities Co., Ltd.	HTS	10,000	50	1

b) Stock futures with contract size equal to one underlying board lot shares

No.	SEHK Code	Underlying Stocks	HKATS Code	Contract Multiplier (shares)	Tier No.
1	1	CK Hutchison Holdings Ltd.	CKH	500	1
2	2	CLP Holdings Ltd.	CLP	500	1
3	3	The Hong Kong and China Gas Company Ltd.	HKG	1,000	2
4	4	The Wharf (Holdings) Ltd.	WHL	1,000	2
5	5	HSBC Holdings Plc.	HKB	400	1
6	6	Power Assets Holdings Ltd.	HEH	500	1
7	11	Hang Seng Bank Ltd.	HSB	100	2
8	12	Henderson Land Development Company Ltd.	HLD	1,000	1
10	17	New World Development Company Ltd.	NWD	1,000	2
9	19	Swire Pacific Limited 'A'	SWA	500	1
11	23	The Bank of East Asia, Ltd.	BEA	200	3
12	27	Galaxy Entertainment Group Ltd.	GLX	1,000	1
13	66	MTR Corporation Ltd.	MTR	500	2
14	267	CITIC Pacific Ltd.	CIT	1,000	2
15	293	Cathay Pacific Airways Ltd.	CPA	1,000	2
16	386	China Petroleum & Chemical Corporation	CPC	2,000	2
17	388	Hong Kong Exchanges and Clearing Ltd.	HEX	100	2
18	494	Li & Fung Ltd.	LIF	2,000	3
19	688	China Overseas Land & Investment Ltd	COL	2,000	1
20	700	Tencent Holdings Ltd.	TCH	100	1
21	728	China Telecom Corporation Ltd.	CTC	2,000	3
22	762	China Unicom (Hong Kong) Ltd.	CHU	2,000	2

No.	SEHK Code	Underlying Stocks	HKATS Code	Contract Multiplier (shares)	Tier No.
23	857	PetroChina Company Ltd.	PEC	2,000	2
24	883	CNOOC Ltd.	CNC	1,000	2
25	902	Huaneng Power International, Inc.	HNP	2,000	2
26	914	Anhui Conch Cement Co. Ltd.	ACC	500	2
27	939	China Construction Bank Corporation	CCB	1,000	3
28	941	China Mobile Ltd.	CHT	500	1
29	1088	China Shenhua Energy Co. Ltd.	CSE	500	3
30	1171	Yanzhou Coal Mining Co. Ltd.	YZC	2,000	2
31	1398	Industrial and Commercial Bank of China Ltd.	ICB	1,000	3
32	1800	China Communications Construction Company Ltd.	CCC	1,000	3
33	1898	China Coal Energy Co. Ltd.	CCE	1,000	3
34	1928	Sands China Ltd.	SAN	400	2
35	2318	Ping An Insurance (Group) Company of China, Ltd.	PAI	500	1
36	2328	PICC Property and Casualty Company Ltd.	PIC	2,000	2
37	2388	BOC Hong Kong (Holdings) Ltd.	BOC	500	2
38	2600	Aluminum Corporation of China Ltd.	ALC	2,000	3
39	2628	China Life Insurance Company Ltd.	CLI	1,000	2
40	2899	Zijin Mining Group Co., Ltd.	ZJM	2,000	3
41	3328	Bank of Communications Co., Ltd.	BCM	1,000	3
42	3888	Kingsoft Corporation Ltd	KSO	1,000	2
43	3968	China Merchants Bank Co., Ltd.	CMB	500	2
44	3988	Bank of China Limited	BCL	1,000	3

[^] Trading will commence on 30 september 2019

Obligations of Liquidity Provider (LP)

LP will be required to provide continuous quotes for Budweiser stock futures:

Stock Code	Underlying Stock	Minimum Quote Quantity (contracts)	Assigned Contract Months	Minimum % Trading Hours Coverage	Max Bid/Ask Spread
1876	Budweiser	5	Spot and next calendar month	70%	4 times the best bid / offer spread of the underlying stock or 0.5% of Quotation bid, whichever is greater ¹

¹ During the first two weeks of the introduction of Budweiser stock futures (i.e. between 30 September 2019 and 11 October 2019), the maximum bid/ask spread obligation for LP will be two times of the original obligation.