

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 MSCI Asia and Emerging Market Index Futures and Options Suite - Update

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Reference is made to the circular (ref: [MKD/EQD/07/20](#)) dated 1 June 2020 regarding the introduction of MSCI Asia and Emerging Market Index Futures and Options Suite (“the Contracts”). Hong Kong Futures Exchange Limited (“the Exchange” or “HKFE”) is pleased to announce the following updated arrangement:

### **1. Product List and Launch Schedule for USD denominated Futures Contracts**

The following Contracts (i.e. Contracts # 1-33) have been approved by the Securities and Futures Commission and will be introduced in phases:

<sup>1</sup> All calls to the HKATS hotline would be recorded. Please refer to the following link for HKEX privacy policy statement: [http://www.hkex.com.hk/eng/global/privacy\\_policy.htm](http://www.hkex.com.hk/eng/global/privacy_policy.htm)

| Contracts   | Launch Date    |
|---|----------------|
| <ol style="list-style-type: none"> <li>1. MSCI Taiwan (USD) Index Futures</li> <li>2. MSCI Taiwan Net Total Return (USD) Index Futures</li> <li>3. MSCI Japan Net Total Return (USD) Index Futures</li> <li>4. MSCI India Net Total Return (USD) Index Futures</li> <li>5. MSCI China Free Net Total Return (USD) Index Futures</li> <li>6. MSCI Indonesia Net Total Return (USD) Index Futures</li> <li>7. MSCI Australia Net Total Return (USD) Index Futures</li> <li>8. MSCI Thailand Net Total Return (USD) Index Futures</li> <li>9. MSCI Malaysia Net Total Return (USD) Index Futures</li> <li>10. MSCI EM Asia Net Total Return (USD) Index Futures</li> </ol> | 6 July 2020    |
| <ol style="list-style-type: none"> <li>11. MSCI Singapore Net Total Return (USD) Index Futures<sup>2</sup></li> <li>12. MSCI Vietnam Net Total Return (USD) Index Futures</li> <li>13. MSCI Hong Kong Net Total Return (USD) Index Futures</li> <li>14. MSCI Philippines Net Total Return (USD) Index Futures</li> <li>15. MSCI Indonesia (USD) Index Futures</li> <li>16. MSCI Emerging Markets Net Total Return (USD) Index Futures</li> <li>17. MSCI Emerging Markets (USD) Index Futures</li> </ol>   | 20 July 2020   |
| <ol style="list-style-type: none"> <li>18. MSCI India (USD) Index Futures</li> <li>19. MSCI China Free (USD) Index Futures</li> <li>20. MSCI Thailand (USD) Index Futures</li> <li>21. MSCI Malaysia (USD) Index Futures</li> <li>22. MSCI Philippines (USD) Index Futures</li> <li>23. MSCI Vietnam (USD) Index Futures</li> <li>24. MSCI Singapore Free Net Total Return (USD) Index Futures<sup>3</sup></li> <li>25. MSCI New Zealand Net Total Return (USD) Index Futures</li> </ol>  | 3 August 2020  |
| <ol style="list-style-type: none"> <li>26. MSCI EM ex China Net Total Return (USD) Index Futures</li> <li>27. MSCI EM ex Korea Net Total Return (USD) Index Futures</li> <li>28. MSCI EM Asia ex China Net Total Return (USD) Index Futures</li> <li>29. MSCI EM Asia ex Korea Net Total Return (USD) Index Futures</li> <li>30. MSCI EM EMEA Net Total Return (USD) Index Futures</li> <li>31. MSCI EM LatAm Net Total Return (USD) Index Futures</li> <li>32. MSCI Pacific Net Total Return (USD) Index Futures</li> <li>33. MSCI Pacific ex Japan Net Total Return (USD) Index Futures</li> </ol>  | 17 August 2020 |

<sup>2</sup> Subject to final comment from the Monetary Authority of Singapore (MAS)

<sup>3</sup> Subject to final comment from MAS

**2. Expected Product List and Launch Schedule for Japanese Yen (JPY) Denominated Futures, Singapore Dollar (SGD) Denominated Futures and USD Denominated Options Contracts**

Below are the tentative launch dates for JPY denominated futures, SGD denominated futures and USD denominated options (i.e. Contracts # 34-37). More details for these Contracts will be announced in due course.

| Contracts   | Tentative Launch Date |
|---|-----------------------|
| 34. MSCI Singapore Free (SGD) Index Futures <sup>4</sup><br>35. MSCI Japan (JPY) Index Futures<br>36. MSCI Japan Net Total Return (JPY) Index Futures | 17 August 2020        |
| 37. MSCI Taiwan (USD) Index Options   | Q4 2020               |

**3. Contract Specifications**

Details of the contract specifications are set forth in Attachment I. Relevant rule amendments will be announced via separate circular.

**4. Trading Arrangements**

**Pre-Launch Arrangements**

To facilitate market participants in the trading and clearing of the Contracts, the following pre-launch arrangements will be made available one business day before the Launch Date:

- a. Trading codes will be displayed on HKATS, but the Contracts will not be tradable on that day; and
- b. Information relating to the Contracts will be generated in the risk parameter files (“RPF”), clearing and open interest reports.

The purpose of the generation of RPF one business day before the Launch Date is to assist Participants to estimate the margin requirements for trading on the Launch Date.

Please note that the margin requirements estimated using the RPF available on the business day before the Launch Date may not be the same as the actual amounts required on the Launch Date. Hong Kong Exchanges and Clearing Limited (“HKEX”) and its subsidiaries accept no liability

<sup>4</sup> Subject to final comment from MAS

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.

### Other Trading Arrangements

- a. The following contract months will be available for trading from the Launch Date:

| Contracts       | Launch Date                   | Contract Months Available from Launch Date |     |     |     |     |      |     |     |
|-----------------|-------------------------------|--|-----|-----|-----|-----|------|-----|-----|
|                 |                               | 2020                                       |     |     |     |     | 2021 |     |     |
|                 |                               | Jul  | Aug | Sep | Oct | Dec | Mar  | Jun | Sep |
| Contract #1-10  | 6 July 2020                   | Yes  | Yes | Yes |     | Yes | Yes  | Yes |     |
| Contract #11-17 | 20 July 2020                  |  | Yes | Yes |     | Yes | Yes  | Yes | Yes |
| Contract #18-25 | 3 August 2020                 |  | Yes | Yes |     | Yes | Yes  | Yes | Yes |
| Contract #26-33 | 17 August 2020                |  |     | Yes | Yes | Yes | Yes  | Yes | Yes |
| Contract #34-36 | 17 August 2020<br>(tentative) |  |     | Yes | Yes | Yes | Yes  | Yes | Yes |

- b. The block trade volume threshold is 25 contracts for net total return Contracts and 50 contracts for price return Contracts;
- c. The block trade permissible price range is 3% (see details in Attachment II).;
- d. The error trade price parameter is 3% from notation price (see details in Attachment II).;
- e. Volatility Control Mechanism and price limit will not be applied during T session;
- f. Price limit will be applied in the T+1 session. The price limit will be +/-5% from the last traded price of each contract month for the respective Contracts in the T Session. If there is no last traded price of a specific contract month during the T Session, the previous day's daily settlement price of the same contract month will be used as the reference price. For newly listed contract months, the reference price of the preceding contract month will apply; and
- g. The maximum HKATS order size limit is 1,000 contracts. Exchange Participants are required to submit their request to HKFE for setting up their own order size limits based on their business needs and risk management requirements.

## **5. Clearing and Settlement Arrangements**

To be eligible for clearing and settlement of the Contracts, Clearing Participants (“CPs”) of the HKFE Clearing Corporation Limited (“HKCC”) need to arrange for the following:

- a. CPs who plan to clear the USD denominated futures contracts need to arrange for USD settlement capability, including having an **active** USD bank account with any of the appointed settlement banks appointed by HKCC;
- b. CPs who plan to clear the JPY denominated futures contracts need to arrange for JPY settlement capability, including having an **active** JPY bank account with any of the appointed settlement banks appointed by HKCC; and
- c. CPs who plan to clear the SGD denominated futures contracts need to arrange for SGD settlement capability, including having an **active** SGD bank account with any of the settlement banks to be appointed by HKCC.

For more details of CPs’ readiness on clearing JPY and SGD futures, CPs can refer to the HKCC circular dated 1 June 2020 ([CD/CDCO/HKCC/115/2020](#)). CPs are requested to ensure that these bank accounts are in active status and ready for cash settlement. Non-Clearing Participants should contact their General Clearing Participants to ascertain their eligibility of clearing the Contracts.

## **6. Risk Management Arrangements**

Key risk management arrangements are set out below:

- a. In order to support the clearing of SGD denominated futures contracts, HKCC will accept SGD as cash collateral to facilitate CPs to meet their margin requirements.
- b. Margin offset among certain Contracts will be offered in PRiME<sup>5</sup>. CPs could allocate the eligible positions to relevant account(s)<sup>6</sup> in accordance with the Clearing House Procedures for margin offset claim purpose. Margin levels and margin offset parameters<sup>7</sup> for the Contracts will be announced and an update of PC-SPAN Organisation Master File will be made available in due course.

More details of the risk management arrangements will be provided in HKCC circular in due course.

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<sup>5</sup> Please refer to section 2.7 of [PRiME Margining Guide](#) for details.

<sup>6</sup> Client Offset Claim Account

<sup>7</sup> Delta/Spread Ratio and Spread Credit Rate

## **7. Information Vendor Access Code**

The access codes of information vendors for the underlying indices can be found in Attachment III. The access codes of information vendors for the Contracts will be available on HKEX's website ([link](#)) in due course.

## **8. SFC Commission Levy Exemption**

The Commission Levy will be exempted for the first six months of trading. Participants are advised to inform their clients of the Commission Levy exemption accordingly.

| <b>Contracts</b> | <b>SFC Commission Levy Exemption Effective Period</b>   |
|------------------|---|
| Contract #1-10   | From 6 July 2020 (Monday) to the close of T session on 5 January 2021 (Tuesday)                           |
| Contract #11-17  | From 20 July 2020 (Monday) to the close of T session on 19 January 2021 (Tuesday)                         |
| Contract #18-25  | From 3 August 2020 (Monday) to the close of T session on 2 February 2021 (Tuesday)                        |
| Contract #26-33  | From 17 August 2020 (Monday) to the close of T session on 16 February 2021 (Tuesday)                      |
| Contract #34-36  | From 17 August 2020 (Monday) to the close of T session on 16 February 2021 (Tuesday) ( <i>Tentative</i> ) |
| Contract #37     | First 6 months of trading (launch date in Q4 2020 tentatively)  |

## **9. Liquidity Provider and other Incentive Programs**

The Exchange will introduce three incentives programs, namely Liquidity Provider ("LP") Program, Proprietary Trader ("PT") Program and Block Trade Participant ("BTP") Program to support the liquidity development of the Contracts. Please refer to Attachment IV for program details. Interested parties should contact Ms. Emily Huang ([EmilyHuang@hkex.com.hk](mailto:EmilyHuang@hkex.com.hk)) and Mr. Raymond Wong ([RaymondCWWong@hkex.com.hk](mailto:RaymondCWWong@hkex.com.hk)) for application information.

## **10. Participants' Readiness**

Participants are required to notify their staff and all interested clients of the details of the Contracts. Please ensure that all trading, clearing, and back office systems, including OAPI program and other operational arrangements are ready in order for a smooth operation upon the introduction. In addition, staff should be fully aware of the above and should exercise caution when dealing with the Contracts and when advising their client.

To ensure smooth implementation, Participants are recommended to confirm their readiness by completing the following return forms before the deadline if they wish to participate at product launch:

| <b>Types of Contracts</b> | <b>Return Form</b>   | <b>Deadline to return form</b> |
|---------------------------|--|--------------------------------|
| USD denominated futures   | USD Futures Readiness Form ( <a href="#">Online form</a> ) | <b>29 June 2020 (Monday)</b>   |
| SGD denominated futures   | SGD Futures Readiness Form ( <a href="#">Online form</a> ) | <b>27 July 2020 (Monday)</b>   |
| JPY denominated futures   | JPY Futures Readiness Form ( <a href="#">Online form</a> ) | <b>27 July 2020 (Monday)</b>   |

Participants who wish to participate in SGD denominated futures and/or JPY denominated futures during the two-week stabilization after product launch will be required to confirm their readiness by completing the return forms before the deadline.

Alexander Siu  
Co-head of Equities Product Development  
Markets Division

## Contract Specifications

### Contracts #1-5 (launch date: 6 July 2020)

| No.                               | 1  | 2  | 3  | 4  | 5  |
|-----------------------------------|--|--|--|--|--|
| Contracts                         | MSCI Taiwan (USD) Index Futures  | MSCI Taiwan Net Total Return (USD) Index Futures   | MSCI Japan Net Total Return (USD) Index Futures  | MSCI India Net Total Return (USD) Index Futures  | MSCI China Free Net Total Return (USD) Index Futures   |
| Underlying Index                  | MSCI Taiwan Index  | MSCI Taiwan Net Total Return Index   | MSCI Japan Net Total Return Index  | MSCI India Net Total Return Index  | MSCI China Free Net Total Return Index   |
| HKATS Code                        | MTW  | MWN  | MJU  | MIN  | MCN  |
| Trading Currency                  | USD  | USD  | USD  | USD  | USD  |
| Underlying Currency               | TWD  | USD  | USD  | USD  | USD  |
| Contract Multiplier               | USD 100  | USD 100  | USD 10   | USD 100  | USD 50   |
| Minimum Fluctuation (Index Point) | 0.10   | 0.001  | 0.01   | 0.001  | 0.001  |
| Contract Months                   | 2 nearest serial months and the following 4 quarterly months   |  |  |  |  |
| Trading Hours                     | 9:00am-4:30pm (T); 5:15pm-3:00am (T+1)   |  |  |  |  |
| Trading Hours on LTD              | 9:00am-1:45pm  | 9:00am-4:30pm  | 9:00am-4:30pm  | 9:00am-4:30pm  | 9:00am-4:30pm  |
| Last Trading Day (LTD)            | Second last Hong Kong business day of the month. If it falls on a Taiwan public holiday, the LTD will be the preceding Hong Kong and Taiwan business day   | 3rd Friday. If it falls on a Hong Kong public holiday, the LTD will be the preceding Hong Kong business day                | 3rd Friday. If it falls on a Hong Kong public holiday, the LTD will be the preceding Hong Kong business day                | 3rd Friday. If it falls on a Hong Kong public holiday, the LTD will be the preceding Hong Kong business day                | 3rd Friday. If it falls on a Hong Kong public holiday, the LTD will be the preceding Hong Kong business day                |
| Final Settlement Day              | 1 Hong Kong business day after FSP is determined   |  |  |  |  |
| Final Settlement Price (FSP)      | The average of the underlying Index values on the LTD taken at (i) 1-minute intervals during the last 25 minutes of trading on the Taiwan Stock Exchange Corporation before the end of the continuous trading session, and (ii) the closing index value, rounded to the nearest 2 decimal places | The official closing value of the underlying index on the 3rd Friday, rounded to the nearest 3 decimal places <sup>^</sup> | The official closing value of the underlying index on the 3rd Friday, rounded to the nearest 2 decimal places <sup>^</sup> | The official closing value of the underlying index on the 3rd Friday, rounded to the nearest 3 decimal places <sup>^</sup> | The official closing value of the underlying index on the 3rd Friday, rounded to the nearest 3 decimal places <sup>^</sup> |



| No.                          | 1   | 2   | 3   | 4   | 5   |
|------------------------------|---|---|---|---|---|
| Contracts                    | MSCI Taiwan (USD) Index Futures                               | MSCI Taiwan Net Total Return (USD) Index Futures              | MSCI Japan Net Total Return (USD) Index Futures               | MSCI India Net Total Return (USD) Index Futures               | MSCI China Free Net Total Return (USD) Index Futures          |
| Trading Fee                  | USD 1.00  | USD 0.60  | USD 0.60  | USD 0.60  | USD 0.60  |
| Settlement Fee               | USD 1.00  | USD 0.60  | USD 0.60  | USD 0.60  | USD 0.60  |
| Commission Levy <sup>8</sup> | USD 0.07  | USD 0.07  | USD 0.07  | USD 0.07  | USD 0.07  |
| Large Open Position          | 500 open contracts in any one Contract Month                  | 500 open contracts in any one Contract Month                  | 500 open contracts in any one Contract Month                  | 500 open contracts in any one Contract Month                  | 500 open contracts in any one Contract Month                  |
| Position Limit               | 20,000 net contracts long or short across all Contract Months | 20,000 net contracts long or short across all Contract Months | 58,000 net contracts long or short across all Contract Months | 20,000 net contracts long or short across all Contract Months | 35,000 net contracts long or short across all Contract Months |

<sup>8</sup> If MSCI announces there is an unexpected market closure event on LTD, FSP shall be based on the final Unexpected Market Closure Index level published by MSCI.

<sup>8</sup> The Commission Levy is collected in the trading currency equivalent to HKD 0.54 at the exchange rate determined by HKFE from time to time. There will be Commission Levy exemption for the first six months of trading from Launch Date.

**Contracts # 6-10 (launch date: 6 July 2020)**

| No.                               | 6  | 7  | 8  | 9  | 10   |
|-----------------------------------|--|--|--|--|--|
| Contracts                         | MSCI Indonesia Net Total Return (USD) Index Futures  | MSCI Australia Net Total Return (USD) Index Futures  | MSCI Thailand Net Total Return (USD) Index Futures   | MSCI Malaysia Net Total Return (USD) Index Futures   | MSCI EM Asia Net Total Return (USD) Index Futures  |
| Underlying Index                  | MSCI Indonesia Net Total Return Index  | MSCI Australia Net Total Return Index  | MSCI Thailand Net Total Return Index   | MSCI Malaysia Net Total Return Index   | MSCI EM Asia Net Total Return Index  |
| HKATS Code                        | MDN  | MAN  | MTN  | MMN  | EAN  |
| Trading Currency                  | USD  | USD  | USD  | USD  | USD  |
| Underlying Currency               | USD  | USD  | USD  | USD  | USD  |
| Contract Multiplier               | USD 10   | USD 10   | USD 10   | USD 100  | USD 100  |
| Minimum Fluctuation (Index Point) | 0.01   | 0.01   | 0.001  | 0.001  | 0.001  |
| Contract Months                   | 2 nearest serial months and the following 4 quarterly months   |  |  |  |  |
| Trading Hours                     | 9:00am-4:30pm (T); 5:15pm-3:00am (T+1)   |  |  |  |  |
| Trading Hours on LTD              | 9:00am-4:30pm  |  |  |  |  |
| Last Trading Day (LTD)            | 3rd Friday. If it falls on a Hong Kong public holiday, the LTD will be the preceding Hong Kong business day                | 3rd Friday. If it falls on a Hong Kong public holiday, the LTD will be the preceding Hong Kong business day                | 3rd Friday. If it falls on a Hong Kong public holiday, the LTD will be the preceding Hong Kong business day                | 3rd Friday. If it falls on a Hong Kong public holiday, the LTD will be the preceding Hong Kong business day                | 3rd Friday. If it falls on a Hong Kong public holiday, the LTD will be the preceding Hong Kong business day                |
| Final Settlement Day              | 1 Hong Kong business day after FSP is determined   |  |  |  |  |
| Final Settlement Price (FSP)      | The official closing value of the underlying index on the 3rd Friday, rounded to the nearest 2 decimal places <sup>^</sup> | The official closing value of the underlying index on the 3rd Friday, rounded to the nearest 2 decimal places <sup>^</sup> | The official closing value of the underlying index on the 3rd Friday, rounded to the nearest 3 decimal places <sup>^</sup> | The official closing value of the underlying index on the 3rd Friday, rounded to the nearest 3 decimal places <sup>^</sup> | The official closing value of the underlying index on the 3rd Friday, rounded to the nearest 3 decimal places <sup>^</sup> |
| Trading Fee                       | USD 0.60   | USD 0.60   | USD 0.60   | USD 0.60   | USD 0.60   |
| Settlement Fee                    | USD 0.60   | USD 0.60   | USD 0.60   | USD 0.60   | USD 0.60   |
| Commission Levy <sup>9</sup>      | USD 0.07   | USD 0.07   | USD 0.07   | USD 0.07   | USD 0.07   |
| Large Open Position               | 500 open contracts in any one Contract Month   | 500 open contracts in any one Contract Month   | 500 open contracts in any one Contract Month   | 500 open contracts in any one Contract Month   | 500 open contracts in any one Contract Month   |
| Position Limit                    | 10,000 net contracts long or short across all Contract Months  | 21,000 net contracts long or short across all Contract Months  | 24,000 net contracts long or short across all Contract Months  | 5,000 net contracts long or short across all Contract Months   | 110,000 net contracts long or short across all Contract Months   |

<sup>^</sup> If MSCI announces there is an unexpected market closure event on LTD, FSP shall be based on the final Unexpected M Closure Index level published by MSCI.

<sup>9</sup> The Commission Levy is collected in the trading currency equivalent to HKD 0.54 at the exchange rate determined by HKFE from time to time. There will be Commission Levy exemption for the first six months of trading from Launch Date.

## Contracts # 11-14 (launch date: 20 July 2020)

| No.                               | 11   | 12   | 13   | 14   |
|-----------------------------------|--|--|--|--|
| Contracts                         | MSCI Singapore Net Total Return (USD) Index Futures  | MSCI Vietnam Net Total Return (USD) Index Futures  | MSCI Hong Kong Net Total Return (USD) Index Futures  | MSCI Philippines Net Total Return (USD) Index Futures  |
| Underlying Index                  | MSCI Singapore Net Total Return Index  | MSCI Vietnam Net Total Return Index  | MSCI Hong Kong Net Total Return Index  | MSCI Philippines Net Total Return Index  |
| HKATS Code                        | MSN  | MVN  | MHN  | MPN  |
| Trading Currency                  | USD  | USD  | USD  | USD  |
| Underlying Currency               | USD  | USD  | USD  | USD  |
| Contract Multiplier               | USD 5  | USD 50   | USD 1  | USD 50   |
| Minimum Fluctuation (Index Point) | 0.01   | 0.001  | 0.01   | 0.001  |
| Contract Months                   | 2 nearest serial months and the following 4 quarterly months   |  |  |  |
| Trading Hours                     | 9:00am-4:30pm (T); 5:15pm-3:00am (T+1)   |  |  |  |
| Trading Hours on LTD              | 9:00am-4:30pm  |  |  |  |
| Last Trading Day (LTD)            | 3rd Friday. If it falls on a Hong Kong public holiday, the LTD will be the preceding Hong Kong business day                | 3rd Friday. If it falls on a Hong Kong public holiday, the LTD will be the preceding Hong Kong business day                | 3rd Friday. If it falls on a Hong Kong public holiday, the LTD will be the preceding Hong Kong business day                | 3rd Friday. If it falls on a Hong Kong public holiday, the LTD will be the preceding Hong Kong business day                |
| Final Settlement Day              | 1 Hong Kong business day after FSP is determined   |  |  |  |
| Final Settlement Price (FSP)      | The official closing value of the underlying index on the 3rd Friday, rounded to the nearest 2 decimal places <sup>^</sup> | The official closing value of the underlying index on the 3rd Friday, rounded to the nearest 3 decimal places <sup>^</sup> | The official closing value of the underlying index on the 3rd Friday, rounded to the nearest 2 decimal places <sup>^</sup> | The official closing value of the underlying index on the 3rd Friday, rounded to the nearest 3 decimal places <sup>^</sup> |
| Trading Fee                       | USD 0.60   | USD 0.60   | USD 0.60   | USD 0.60   |
| Settlement Fee                    | USD 0.60   | USD 0.60   | USD 0.60   | USD 0.60   |
| Commission Levy <sup>10</sup>     | USD 0.07   | USD 0.07   | USD 0.07   | USD 0.07   |
| Large Open Position               | 500 open contracts in any one Contract Month   | 500 open contracts in any one Contract Month   | 500 open contracts in any one Contract Month   | 500 open contracts in any one Contract Month   |
| Position Limit                    | 20,000 net contracts long or short across all Contract Months  | 3,000 net contracts long or short across all Contract Months   | 8,000 net contracts long or short across all Contract Months   | 3,000 net contracts long or short across all Contract Months   |

<sup>^</sup> If MSCI announces there is an unexpected market closure event on LTD, FSP shall be based on the final Unexpected Market Closure Index level published by MSCI.

<sup>10</sup> The Commission Levy is collected in the trading currency equivalent to HKD 0.54 at the exchange rate determined by HKFE from time to time. There will be Commission Levy exemption for the first six months of trading from Launch Date.

## Contracts # 15-17 (launch date: 20 July 2020)

| No.                               | 15   | 16   | 17   |
|-----------------------------------|--|--|--|
| Contracts                         | MSCI Indonesia (USD) Index Futures   | MSCI Emerging Markets Net Total Return (USD) Index Futures   | MSCI Emerging Markets (USD) Index Futures  |
| Underlying Index                  | MSCI Indonesia Index   | MSCI Emerging Markets Net Total Return Index   | MSCI Emerging Markets Index  |
| HKATS Code                        | MID  | EMN  | MEM  |
| Trading Currency                  | USD  | USD  | USD  |
| Underlying Currency               | IDR  | USD  | USD  |
| Contract Multiplier               | USD 2  | USD 100  | USD 50   |
| Minimum Fluctuation (Index Point) | 5.00   | 0.001  | 0.10   |
| Contract Months                   | 2 nearest serial months and the following 4 quarterly months   |  |  |
| Trading Hours                     | 9:00am-4:30pm (T); 5:15pm-3:00am (T+1)   |  |  |
| Trading Hours on LTD              | 9:00am-4:30pm  |  |  |
| Last Trading Day (LTD)            | Second last Hong Kong business day of the month. If it falls on a Indonesia public holiday, the LTD will be the preceding Hong Kong and Indonesia business day   | 3rd Friday. If it falls on a Hong Kong public holiday, the LTD will be the preceding Hong Kong business day                | 3rd Friday. If it falls on a Hong Kong public holiday, the LTD will be the preceding Hong Kong business day                |
| Final Settlement Day              | 1 Hong Kong business day after FSP is determined   |  |  |
| Final Settlement Price (FSP)      | The average of the MSCI Indonesia Index on the LTD taken at (i) 1-minute intervals during the last 30 minutes of trading on the Indonesia Stock Exchange before the end of the continuous trading session, and (ii) the closing index value, rounded to the nearest 2 decimal places | The official closing value of the underlying index on the 3rd Friday, rounded to the nearest 3 decimal places <sup>^</sup> | The official closing value of the underlying index on the 3rd Friday, rounded to the nearest 2 decimal places <sup>^</sup> |
| Trading Fee                       | USD 1.00   | USD 0.60   | USD 0.60   |
| Settlement Fee                    | USD 1.00   | USD 0.60   | USD 0.60   |
| Commission Levy <sup>11</sup>     | USD 0.07   | USD 0.07   | USD 0.07   |
| Large Open Position               | 500 open contracts in any one Contract Month   | 500 open contracts in any one Contract Month   | 500 open contracts in any one Contract Month   |
| Position Limit                    | 10,000 net contracts long or short across all Contract Months  | 110,000 net contracts long or short across all Contract Months   | 110,000 net contracts long or short across all Contract Months   |

<sup>^</sup> If MSCI announces there is an unexpected market closure event on LTD, FSP shall be based on the final Unexpected Closure Index level published by MSCI.

<sup>11</sup> The Commission Levy is collected in the trading currency equivalent to HKD 0.54 at the exchange rate determined by HKFE from time to time. There will be Commission Levy exemption for the first six months of trading from Launch Date.

## Contracts # 18-21 (launch date: 3 August 2020)

| No.                           | 18   | 19   | 20  | 21   |
|-------------------------------|--|--|---|--|
| Contracts                     | MSCI India (USD) Index Futures   | MSCI China Free (USD) Index Futures  | MSCI Thailand (USD) Index Futures   | MSCI Malaysia (USD) Index Futures  |
| Underlying Index              | MSCI India Index   | MSCI China Free Index  | MSCI Thailand Index   | MSCI Malaysia Index  |
| HKATS Code                    | MDA  | MCU  | MTH   | MMY  |
| Trading Currency              | USD  | USD  | USD   | USD  |
| Underlying Currency           | INR  | USD  | THB   | MYR  |
| Contract Multiplier           | USD 50   | USD 5  | USD 20  | USD 20   |
| Min Fluctuation (Index Point) | 0.20   | 2.00   | 0.25  | 0.25   |
| Contract Months               | 2 nearest serial months and the following 4 quarterly months   |  |   |  |
| Trading Hours                 | 9:00am-4:30pm (T); 5:15pm-3:00am (T+1)   |  |   |  |
| Trading Hours on LTD          | 9:00am-4:30pm  | 9:00am-4:30pm  | 9:00am-4:30pm   | 9:00am-4:30pm  |
| Last Trading Day (LTD)        | Last Thursday of the expiring contract month. If it falls on a Hong Kong or India public holiday, the LTD will be the preceding Hong Kong and India business day | Second last Hong Kong business day of the month, provided it's a common business day on which all component stocks of the index are open for trading. If not, it shall be the common business day immediately preceding the second last business day | Second last Hong Kong business day of the month. If it falls on a Thailand public holiday, the LTD will be the preceding Hong Kong and Thailand business day  | Last Hong Kong business day of the month. If it falls on a Malaysia public holiday, the LTD will be the preceding Hong Kong and Malaysia business day  |
| Final Settlement Day          | 1 Hong Kong business day after FSP is determined   |  |   |  |
| Final Settlement Price (FSP)  | The official closing value of the underlying index for the LTD, rounded to the nearest 2 decimal places  | The official closing value of the underlying index for the LTD, rounded to the nearest 2 decimal places  | The average of the MSCI Thailand Index on the LTD taken at (i) 1-minute intervals during the last 15 minutes of trading on the Stock Exchange of Thailand before the end of the continuous trading session, and (ii) the closing index value, rounded to the nearest 2 decimal places | The average of the MSCI Malaysia Index on the LTD taken at (i) 1-minute intervals during the last 60 minutes of trading on the Bursa Malaysia Berhad before the end of the continuous trading session, and (ii) the closing index value, rounded to the nearest 2 decimal places |
| Trading Fee                   | USD 1.00   | USD 1.00   | USD 1.00  | USD 1.00   |
| Settlement Fee                | USD 1.00   | USD 1.00   | USD 1.00  | USD 1.00   |
| Commission Levy <sup>12</sup> | USD 0.07   | USD 0.07   | USD 0.07  | USD 0.07   |

<sup>12</sup> The Commission Levy is collected in the trading currency equivalent to HKD 0.54 at the exchange rate determined by HKFE from time to time. There will be Commission Levy exemption for the first six months of trading from Launch Date.

| No.                 | 18  | 19  | 20  | 21  |
|---------------------|---|---|---|---|
| Contracts           | MSCI India (USD) Index Futures                                | MSCI China Free (USD) Index Futures                           | MSCI Thailand (USD) Index Futures                             | MSCI Malaysia (USD) Index Futures                             |
| Large Open Position | 500 open contracts in any one Contract Month                  | 500 open contracts in any one Contract Month                  | 500 open contracts in any one Contract Month                  | 500 open contracts in any one Contract Month                  |
| Position Limit      | 15,000 net contracts long or short across all Contract Months | 35,000 net contracts long or short across all Contract Months | 28,000 net contracts long or short across all Contract Months | 11,000 net contracts long or short across all Contract Months |

## Contracts # 22-25 (launch date: 3 August 2020)

| No.                               | 22   | 23   | 24   | 25   |
|-----------------------------------|--|--|--|--|
| Contracts                         | MSCI Philippines (USD) Index Futures   | MSCI Vietnam (USD) Index Futures   | MSCI Singapore Free Net Total Return (USD) Index Futures   | MSCI New Zealand Net Total Return (USD) Index Futures  |
| Underlying Index                  | MSCI Philippines Index   | MSCI Vietnam Index   | MSCI Singapore Free Net Total Return Index   | MSCI New Zealand Net Total Return Index  |
| HKATS Code                        | MPH  | MVT  | MGN  | MNZ  |
| Trading Currency                  | USD  | USD  | USD  | USD  |
| Underlying Currency               | PHP  | VND  | USD  | USD  |
| Contract Multiplier               | USD 10   | USD 20   | USD 50   | USD 100  |
| Minimum Fluctuation (Index Point) | 1.00   | 0.10   | 0.001  | 0.001  |
| Contract Months                   | 2 nearest serial months and the following 4 quarterly months   |  |  |  |
| Trading Hours                     | 9:00am-4:30pm (T); 5:15pm-3:00am (T+1)   |  |  |  |
| Trading Hours on LTD              | 9:00am-3:45pm  | 9:00am-4:00pm  | 9:00am-4:30pm  | 9:00am-4:30pm  |
| Last Trading Day (LTD)            | Second last Hong Kong business day of the month. If it falls on a Philippines public holiday, the LTD will be the preceding Hong Kong and Philippines business day | Second last Hong Kong business day of the month. If it falls on a Vietnam public holiday, the LTD will be the preceding Hong Kong and Vietnam business day | 3rd Friday. If it falls on a Hong Kong public holiday, the LTD will be the preceding Hong Kong business day                | 3rd Friday. If it falls on a Hong Kong public holiday, the LTD will be the preceding Hong Kong business day                |
| Final Settlement Day              | 1 Hong Kong business day after FSP is determined   |  |  |  |
| Final Settlement Price (FSP)      | The official closing value of the underlying index for the LTD, rounded to the nearest 2 decimal places  | The official closing value of the underlying index for the LTD, rounded to the nearest 2 decimal places  | The official closing value of the underlying index on the 3rd Friday, rounded to the nearest 3 decimal places <sup>^</sup> | The official closing value of the underlying index on the 3rd Friday, rounded to the nearest 3 decimal places <sup>^</sup> |
| Trading Fee                       | USD 1.00   | USD 1.00   | USD 0.60   | USD 0.60   |
| Settlement Fee                    | USD 1.00   | USD 1.00   | USD 0.60   | USD 0.60   |
| Commission Levy <sup>13</sup>     | USD 0.07   | USD 0.07   | USD 0.07   | USD 0.07   |
| Large Open Position               | 500 open contracts in any one Contract Month   | 500 open contracts in any one Contract Month   | 500 open contracts in any one Contract Month   | 500 open contracts in any one Contract Month   |
| Position Limit                    | 10,000 net contracts long or short across all Contract Months  | 5,000 net contracts long or short across all Contract Months   | 20,000 net contracts long or short across all Contract Months  | 3,000 net contracts long or short across all Contract Months   |

<sup>^</sup> If MSCI announces there is an unexpected market closure event on LTD, FSP shall be based on the final Unexpected Market Closure Index level published by MSCI.

<sup>13</sup> The Commission Levy is collected in the trading currency equivalent to HKD 0.54 at the exchange rate determined by HKFE from time to time. There will be Commission Levy exemption for the first six months of trading from Launch Date.

## Contracts # 26-29 (launch date: 17 August 2020)

| No.                               | 26   | 27   | 28   | 29   |
|-----------------------------------|--|--|--|--|
| Contracts                         | MSCI EM ex China Net Total Return (USD) Index Futures  | MSCI EM ex Korea Net Total Return (USD) Index Futures  | MSCI EM Asia ex China Net Total Return (USD) Index Futures   | MSCI EM Asia ex Korea Net Total Return (USD) Index Futures   |
| Underlying Index                  | MSCI EM ex China Net Total Return Index  | MSCI EM ex Korea Net Total Return Index  | MSCI EM Asia ex China Net Total Return Index   | MSCI EM Asia ex Korea Net Total Return Index   |
| HKATS Code                        | MXC  | MXK  | MAC  | MAK  |
| Trading Currency                  | USD  | USD  | USD  | USD  |
| Underlying Currency               | USD  | USD  | USD  | USD  |
| Contract Multiplier               | USD 10   | USD 10   | USD 20   | USD 20   |
| Minimum Fluctuation (Index Point) | 0.01   | 0.01   | 0.01   | 0.01   |
| Contract Months                   | 2 nearest serial months and the following 4 quarterly months   |  |  |  |
| Trading Hours                     | 9:00am-4:30pm (T); 5:15pm-3:00am (T+1)   |  |  |  |
| Trading Hours on LTD              | 9:00am-4:30pm  | 9:00am-4:30pm  | 9:00am-4:30pm  | 9:00am-4:30pm  |
| Last Trading Day (LTD)            | 3rd Friday. If it falls on a Hong Kong public holiday, the LTD will be the preceding Hong Kong business day                | 3rd Friday. If it falls on a Hong Kong public holiday, the LTD will be the preceding Hong Kong business day                | 3rd Friday. If it falls on a Hong Kong public holiday, the LTD will be the preceding Hong Kong business day                | 3rd Friday. If it falls on a Hong Kong public holiday, the LTD will be the preceding Hong Kong business day                |
| Final Settlement Day              | 1 Hong Kong business day after FSP is determined   |  |  |  |
| Final Settlement Price (FSP)      | the official closing value of the underlying index on the 3rd Friday, rounded to the nearest 2 decimal places <sup>^</sup> | the official closing value of the underlying index on the 3rd Friday, rounded to the nearest 2 decimal places <sup>^</sup> | the official closing value of the underlying index on the 3rd Friday, rounded to the nearest 2 decimal places <sup>^</sup> | the official closing value of the underlying index on the 3rd Friday, rounded to the nearest 2 decimal places <sup>^</sup> |
| Trading Fee                       | USD 0.60   | USD 0.60   | USD 0.60   | USD 0.60   |
| Settlement Fee                    | USD 0.60   | USD 0.60   | USD 0.60   | USD 0.60   |
| Commission Levy <sup>14</sup>     | USD 0.07   | USD 0.07   | USD 0.07   | USD 0.07   |
| Large Open Position               | 500 open contracts in any one Contract Month   | 500 open contracts in any one Contract Month   | 500 open contracts in any one Contract Month   | 500 open contracts in any one Contract Month   |
| Position Limit                    | 110,000 net contracts long or short across all Contract Months   | 110,000 net contracts long or short across all Contract Months   | 37,000 net contracts long or short across all Contract Months  | 90,000 net contracts long or short across all Contract Months  |

<sup>^</sup> If MSCI announces there is an unexpected market closure event on LTD, FSP shall be based on the final Unexpected Market Closure Index level published by MSCI.

<sup>14</sup> The Commission Levy is collected in the trading currency equivalent to HKD 0.54 at the exchange rate determined by HKFE from time to time. There will be Commission Levy exemption for the first six months of trading from Launch Date.



## Contracts # 30-33 (launch date: 17 August 2020)

| No.                               | 30   | 31   | 32   | 33   |
|-----------------------------------|--|--|--|--|
| Contracts                         | MSCI EM EMEA Net Total Return (USD) Index Futures  | MSCI EM LatAm Net Total Return (USD) Index Futures   | MSCI Pacific Net Total Return (USD) Index Futures  | MSCI Pacific ex Japan Net Total Return (USD) Index Futures   |
| Underlying Index                  | MSCI EM EMEA Net Total Return Index  | MSCI EM LatAm Net Total Return Index   | MSCI Pacific Net Total Return Index  | MSCI Pacific ex Japan Net Total Return Index   |
| HKATS Code                        | MEE  | MEL  | MPC  | MPJ  |
| Trading Currency                  | USD  | USD  | USD  | USD  |
| Underlying Currency               | USD  | USD  | USD  | USD  |
| Contract Multiplier               | USD 100  | USD 100  | USD 10   | USD 10   |
| Minimum Fluctuation (Index Point) | 0.001  | 0.001  | 0.01   | 0.01   |
| Contract Months                   | 2 nearest serial months and the following 4 quarterly months   |  |  |  |
| Trading Hours                     | 9:00am-4:30pm (T); 5:15pm-3:00am (T+1)   |  |  |  |
| Trading Hours on LTD              | 9:00am-4:30pm  |  |  |  |
| Last Trading Day (LTD)            | 3rd Friday. If it falls on a Hong Kong public holiday, the LTD will be the preceding Hong Kong business day                | 3rd Friday. If it falls on a Hong Kong public holiday, the LTD will be the preceding Hong Kong business day                | 3rd Friday. If it falls on a Hong Kong public holiday, the LTD will be the preceding Hong Kong business day                | 3rd Friday. If it falls on a Hong Kong public holiday, the LTD will be the preceding Hong Kong business day                |
| Final Settlement Day              | 1 Hong Kong business day after FSP is determined   |  |  |  |
| Final Settlement Price (FSP)      | the official closing value of the underlying index on the 3rd Friday, rounded to the nearest 3 decimal places <sup>^</sup> | the official closing value of the underlying index on the 3rd Friday, rounded to the nearest 3 decimal places <sup>^</sup> | the official closing value of the underlying index on the 3rd Friday, rounded to the nearest 2 decimal places <sup>^</sup> | the official closing value of the underlying index on the 3rd Friday, rounded to the nearest 2 decimal places <sup>^</sup> |
| Trading Fee                       | USD 0.60   | USD 0.60   | USD 0.60   | USD 0.60   |
| Settlement Fee                    | USD 0.60   | USD 0.60   | USD 0.60   | USD 0.60   |
| Commission Levy <sup>15</sup>     | USD 0.07   | USD 0.07   | USD 0.07   | USD 0.07   |
| Large Open Position               | 500 open contracts in any one Contract Month   | 500 open contracts in any one Contract Month   | 500 open contracts in any one Contract Month   | 500 open contracts in any one Contract Month   |
| Position Limit                    | 61,000 net contracts long or short across all Contract Months  | 24,000 net contracts long or short across all Contract Months  | 78,000 net contracts long or short across all Contract Months  | 17,000 net contracts long or short across all Contract Months  |

<sup>^</sup> If MSCI announces there is an unexpected market closure event on LTD, FSP shall be based on the final Unexpected Market Closure Index level published by MSCI.

<sup>15</sup> The Commission Levy is collected in the trading currency equivalent to HKD 0.54 at the exchange rate determined by HKFE from time to time. There will be Commission Levy exemption for the first six months of trading from Launch Date.

## Contracts #34-36 (draft contract specifications) (tentative launch date: 17 August 2020)

| No.                               | 34   | 35   | 36   |
|-----------------------------------|--|--|--|
| Contracts                         | MSCI Singapore Free ( <b>SGD</b> ) Index Futures   | MSCI Japan ( <b>JPY</b> ) Index Futures  | MSCI Japan Net Total Return ( <b>JPY</b> ) Index Futures   |
| Underlying Index                  | MSCI Singapore Free Index  | MSCI Japan Index   | MSCI Japan Net Total Return Index  |
| HKATS Code                        | MSG  | MJP  | MJJ  |
| Trading Currency                  | SGD  | JPY  | JPY  |
| Underlying Currency               | SGD  | JPY  | JPY  |
| Contract Multiplier               | SGD 100  | JPY 2,500  | JPY 1,000  |
| Minimum Fluctuation (Index Point) | 0.05   | 0.20   | 0.01   |
| Contract Months                   | 2 nearest serial months and the following 4 quarterly months   |  |  |
| Trading Hours                     | 9:00am-4:30pm (T); 5:15pm-3:00am (T+1)   |  |  |
| Trading Hours on LTD              | 9:00am-4:30pm  | 9:00am-2:25pm  | 9:00am-4:30pm  |
| Last Trading Day (LTD)            | Second last Hong Kong business day of the month. If it falls on a Singapore public holiday, the LTD will be the preceding Hong Kong and Singapore business day   | The day before the second Friday of the contract month. If it falls on a Hong Kong or Japan public holiday, the LTD will be the preceding Hong Kong and Japan business day | 3rd Friday. If it falls on a Hong Kong public holiday, the LTD will be the preceding Hong Kong business day          |
| Final Settlement Day              | 1 Hong Kong business day after FSP is determined   |  |  |
| Final Settlement Price (FSP)      | The value of the MSCI Singapore Free Index computed based on the Special Quotation <sup>16</sup> methodology applied on each component stock of the Index on the Singapore business day following the LTD, rounded to the nearest 2 decimal places | The official closing value of the underlying index for the LTD, rounded to the nearest 2 decimal places  | the official closing value of the underlying index for the LTD, rounded to the nearest 2 decimal places <sup>^</sup> |
| Trading Fee                       | SGD 1.40   | JPY 65   | JPY 65   |
| Settlement Fee                    | SGD 1.40   | JPY 65   | JPY 65   |
| Commission Levy <sup>17</sup>     | SGD 0.10   | JPY 8  | JPY 8  |
| Large Open Position               | 500 open contracts in any one Contract Month   | 500 open contracts in any one Contract Month   | 500 open contracts in any one Contract Month   |
| Position Limit                    | 25,000 net contracts long or short across all Contract Months  | 110,000 net contracts long or short across all Contract Months   | 110,000 net contracts long or short across all Contract Months   |

<sup>^</sup> If MSCI announces there is an unexpected market closure event on LTD, FSP shall be based on the final Unexpected Market Closure Index level published by MSCI.

<sup>16</sup> The Special Quotation is calculated by MSCI using the first traded price of each component stock in the MSCI Singapore Free Index on the day following the Last Trading Day, irrespective of when these stocks first trade on the SGX trading day. If any component stock is not traded by SGX market close on the day following the Last Trading Day, the last official closing price of that stock will be used to calculate the Special Quotation.

<sup>17</sup> The Commission Levy is collected in the trading currency equivalent to HKD 0.54 at the exchange rate determined by HKFE from time to time. There will be Commission Levy exemption for the first six months of trading from Launch Date.

**Contracts #37 (draft contract specifications) (tentative launch date in Q4 2020)**

|                                   |   |
|-----------------------------------|---|
| No.                               | 37  |
| Contracts                         | MSCI Taiwan (USD) Index <b>Options</b>  |
| Underlying Index                  | MSCI Taiwan Index   |
| HKATS Code                        | MTW   |
| Trading Currency                  | USD   |
| Underlying Currency               | TWD   |
| Contract Multiplier               | USD 100   |
| Minimum Fluctuation (Index Point) | 0.10  |
| Contract Months                   | 2 nearest serial months and the following 4 quarterly months  |
| Trading Hours                     | 9:00am-4:30pm (T); 5:15pm-3:00am (T+1)  |
| Trading Hours on LTD              | 9:00am-1:45pm   |
| Last Trading Day (LTD)            | Second last Hong Kong business day of the month. If it falls on a Taiwan public holiday, the LTD will be the preceding Hong Kong and Taiwan business day  |
| Final Settlement Day              | 1 Hong Kong business day after FSP is determined  |
| Official Settlement Price         | The average of the MSCI Taiwan Index values on the LTD taken at (i) 1-minute intervals during the last 25 minutes of trading on the Taiwan Stock Exchange Corporation before the end of the continuous trading session, and (ii) the closing index value, rounded to the nearest 2 decimal places |
| Trading Fee                       | USD 0.10  |
| Settlement Fee                    | USD 0.10  |
| Commission Levy <sup>18</sup>     | USD 0.07  |
| Large Open Position               | 500 open contracts in any one Contract Month  |
| Position Limit                    | Position delta for MSCI Taiwan (USD) Index Futures and MSCI Taiwan (USD) Index Options combined of 20,000 long or short in all Contract Months combined   |

<sup>18</sup> The Commission Levy is collected in the trading currency equivalent to HKD 0.54 at the exchange rate determined by HKFE from time to time. There will be Commission Levy exemption for the first six months of trading from Launch Date.

**Block Trade Permissible Price Range**

With reference to the HKFE rule 815A(5), the price at which a block trade is executed must be fair and reasonable, and the revised permissible price range for block trades is determined in the following manner:

- (a) When the executed price is at or within the range of highest traded price, lowest traded price, bid and ask price of the contract; or
- (b) When the executed price is within a price range to both sides of a reference price obtained through prevailing market prices, or if necessary, determined as the theoretical values based on the prevailing underlying values. The block trade permissible price range for the Contracts is 3%.

**Error Trade Parameters**

The price parameters for the purposes of the error trade rule under HKFE Rule 819B is 3% from notional price.

Note:

The notation price will be determined as follows:

- (a) The last traded price within 5 minutes prior to the error trade;
- (b) The mid-point of the best bid/ask price immediately prior to the error trade;
- (c) Last settlement price; or
- (d) The difference of notation prices between the related outright contracts (calendar spread only).

Notwithstanding the foregoing, the Exchange shall have absolute discretion in determining the notation price.

## Information Vendor Access Code for Underlying Indices

| Contracts                                     | Underlying Index          | Bloomberg Ticker | Refinitiv Ticker |
|---|---------------------------|------------------|------------------|
| MSCI Australia NTR (USD) Index Futures        | MSCI Australia NTR        | MBAU Index       | .MIAU0000NUS     |
| MSCI China Free (USD) Index Futures           | MSCI China Free           | M3CNX Index      | .MICN0000FPUS    |
| MSCI China Free NTR (USD) Index Futures       | MSCI China Free NTR       | M1CNX Index      | .MICN0000FNUS    |
| MSCI EM Asia ex China NTR (USD) Index Futures | MSCI EM Asia ex China NTR | M2CXECR Index    | .MIMSh0000NUS    |
| MSCI EM Asia ex Korea NTR (USD) Index Futures | MSCI EM Asia ex Korea NTR | M1CXAEKR Index   | .MIMSk0000NUS    |
| MSCI EM Asia NTR (USD) Index Futures          | MSCI EM Asia NTR          | M1MS Index       | .MIMS0000NUS     |
| MSCI EM EMEA NTR (USD) Index Futures          | MSCI EM EMEA NTR          | M1EE Index       | .MIEE0000NUS     |
| MSCI EM ex China NTR (USD) Index Futures      | MSCI EM ex China NTR      | M1CXBRVR Index   | .MIEFH0000NUS    |
| MSCI EM ex Korea NTR (USD) Index Futures      | MSCI EM ex Korea NTR      | M2CXAEKR Index   | .MIEFk0000NUS    |
| MSCI EM LatAm NTR (USD) Index Futures         | MSCI EM LatAm NTR         | M1LA Index       | .MILA0000NUS     |
| MSCI Emerging Markets (USD) Index Futures     | MSCI Emerging Markets     | MXEF Index       | .MIEF0000PUS     |
| MSCI Emerging Markets NTR (USD) Index Futures | MSCI Emerging Markets NTR | M1EF Index       | .MIEF0000NUS     |
| MSCI Hong Kong NTR (USD) Index Futures        | MSCI Hong Kong NTR        | M1HK Index       | .MIHK0000NUS     |
| MSCI India (USD) Index Futures                | MSCI India                | MXIN Index       | .MIIN0000PIN     |
| MSCI India NTR (USD) Index Futures            | MSCI India NTR            | M1IN Index       | .MIIN0000NUS     |
| MSCI Indonesia (USD) Index Futures            | MSCI Indonesia            | MXID Index       | .MIID0000PID     |
| MSCI Indonesia NTR (USD) Index Futures        | MSCI Indonesia NTR        | M0ID Index       | .MIID0000NUS     |
| MSCI Japan (JPY) Index Futures                | MSCI Japan                | MXJP Index       | .MSCIJP          |
| MSCI Japan NTR (JPY) Index Futures            | MSCI Japan NTR            | M7JP Index       | .MIJP0000NJP     |
| MSCI Japan NTR (USD) Index Futures            | MSCI Japan NTR            | M1JP Index       | .MIJP0000NUS     |
| MSCI Malaysia (USD) Index Futures             | MSCI Malaysia             | MXMY Index       | .MIMY0000PMY     |
| MSCI Malaysia NTR (USD) Index Futures         | MSCI Malaysia NTR         | M1MY Index       | .MIMY0000NUS     |
| MSCI New Zealand NTR (USD) Index Futures      | MSCI New Zealand NTR      | MBNZ Index       | .MINZ0000NUS     |
| MSCI Pacific ex Japan NTR (USD) Index Futures | MSCI Pacific ex Japan NTR | M1PCJ Index      | .MIPCJ0000NUS    |
| MSCI Pacific NTR (USD) Index Futures          | MSCI Pacific NTR          | M1PC Index       | .MIPC0000NUS     |
| MSCI Philippines (USD) Index Futures          | MSCI Philippines          | MXPH Index       | .MIPH0000PPH     |
| MSCI Philippines NTR (USD) Index Futures      | MSCI Philippines NTR      | M1PH Index       | .MIPH0000NUS     |
| MSCI Singapore Free (SGD) Index Futures       | MSCI Singapore Free       | SIMSCI Index     | .MISG0000FPSG    |
| MSCI Singapore Free NTR (USD) Index Futures   | MSCI Singapore Free NTR   | NDDUSGF Index    | .MISG0000FNUS    |
| MSCI Singapore NTR (USD) Index Futures        | MSCI Singapore NTR        | M1SG Index       | .MISG0000NUS     |
| MSCI Taiwan (USD) Index Futures               | MSCI Taiwan               | TAMSCI Index     | .TAMSCI          |
| MSCI Taiwan (USD) Index Options               | MSCI Taiwan               | TAMSCI Index     | .TAMSCI          |
| MSCI Taiwan NTR (USD) Index Futures           | MSCI Taiwan NTR           | M1TW Index       | .MITW0000NUS     |
| MSCI Thailand (USD) Index Futures             | MSCI Thailand             | MXTH Index       | .MITH0000PTH     |
| MSCI Thailand NTR (USD) Index Futures         | MSCI Thailand NTR         | M1TH Index       | .MITH0000NUS     |
| MSCI Vietnam (USD) Index Futures              | MSCI Vietnam              | MXVI Index       | .MIVN0000PVN     |
| MSCI Vietnam NTR (USD) Index Futures          | MSCI Vietnam NTR          | MSRIVTUN Index   | .MIVN0000NUS     |

**Liquidity Provider (LP) Program**

1. The LP program aims to provide continuous quotes for price discovery and on-screen trading. There are two types of LP:

**Tier 1 LP:** 1 LP to provide liquidity for a basket of contracts in T and T+1 session (total 40 permits):

| No. | Contracts  | T         | T+1       |
|-----|--|-----------|-----------|
| 1   | MSCI Taiwan (USD) Index Futures                            | 1         | 1         |
| 2   | MSCI Taiwan Net Total Return (USD) Index Futures           | 1         | 1         |
| 3   | MSCI Japan Net Total Return (USD) Index Futures            | 1         | 1         |
| 4   | MSCI India Net Total Return (USD) Index Futures            | 1         | 1         |
| 5   | MSCI China Free Net Total Return (USD) Index Futures       | 1         | 1         |
| 6   | MSCI Indonesia Net Total Return (USD) Index Futures        | 1         | 1         |
| 7   | MSCI Australia Net Total Return (USD) Index Futures        | 1         | 1         |
| 8   | MSCI Thailand Net Total Return (USD) Index Futures         | 1         |           |
| 9   | MSCI Malaysia Net Total Return (USD) Index Futures         | 1         |           |
| 10  | MSCI EM Asia Net Total Return (USD) Index Futures          | 1         | 1         |
| 11  | MSCI Singapore Net Total Return (USD) Index Futures        | 1         | 1         |
| 12  | MSCI Vietnam Net Total Return (USD) Index Futures          | 1         |           |
| 13  | MSCI Hong Kong Net Total Return (USD) Index Futures        | 1         |           |
| 14  | MSCI Philippines Net Total Return (USD) Index Futures      | 1         |           |
| 15  | MSCI Indonesia (USD) Index Futures                         | 1         | 1         |
| 16  | MSCI Emerging Markets Net Total Return (USD) Index Futures | 1         | 1         |
| 17  | MSCI Emerging Markets (USD) Index Futures                  | 1         |           |
| 18  | MSCI India (USD) Index Futures                             | 1         | 1         |
| 19  | MSCI China Free (USD) Index Futures                        | 1         | 1         |
| 20  | MSCI Thailand (USD) Index Futures                          | 1         |           |
| 21  | MSCI Malaysia (USD) Index Futures                          | 1         |           |
| 22  | MSCI Philippines (USD) Index Futures                       | 1         |           |
| 23  | MSCI Vietnam (USD) Index Futures                           | 1         |           |
| 24  | MSCI Singapore Free (SGD) Index Futures                    | 1         | 1         |
| 25  | MSCI Japan (JPY) Index Futures                             | 1         |           |
| 26  | MSCI Japan Net Total Return (JPY) Index Futures            | 1         |           |
|     | <b>Total</b>   | <b>26</b> | <b>14</b> |

**Tier 2 LP:** LP to provide liquidity in any 1 of the contracts below in T session (total 14 permits):

| No. | Contracts  | T         |
|-----|--|-----------|
| 1   | MSCI Taiwan (USD) Index Futures                      | 5         |
| 2   | MSCI India Net Total Return (USD) Index Futures      | 2         |
| 3   | MSCI China Free Net Total Return (USD) Index Futures | 2         |
| 4   | MSCI EM Asia Net Total Return (USD) Index Futures    | 2         |
| 5   | MSCI Singapore Free (SGD) Index Futures              | 3         |
|     | <b>Total</b>   | <b>14</b> |

2. LP Program details:

|                             | Tier 1 LP  | Tier 2 LP  |
|-----------------------------|--|--|
| Program Period              | 1-year (July 2020 to June 2021), subject to review and adjustment at 6 months  |  |
| Eligibility                 | Exchange Participants (“EPs”) or direct clients of EPs   |  |
| Obligations                 | <ul style="list-style-type: none"> <li>Provide 2-way continuous bid/ask quote: (a) 70% of trading hours in T session; and (b) 50% of trading hours in T+1 session.</li> <li>Obligations including quote size and spread will be determined through bidding process.</li> </ul> | <ul style="list-style-type: none"> <li>Provide 2-way continuous bid/ask quote for 70% of trading hours in T session;</li> <li>Obligations including quote size and spread will be determined through bidding process.</li> </ul> |
| <u>Incentives:</u>          |  |  |
| Trading Fee Discount        | LP will pay a discounted trading fee of USD 0.30 for USD contracts (or USD 0.30 equivalent for contracts in other trading currency) (market making account only)   | LP will pay a discounted trading fee of USD 0.30 for USD contracts (or USD 0.30 equivalent for contracts in other trading currency) (market making account only)   |
| Cash Incentives             | HKD 25,000 per contract per trading session per month (i.e. HKD 1 million for a total of 40 permits)   | HKD 25,000 per contract per month  |
| OAPI Sub-license Fee waiver | 1 OAPI per contract (i.e. 26 OAPIs or HKD 67,600 per month in total)   | 1 OAPI per contract (i.e. HKD 2,600 per month per LP)  |

3. LP performance will be measured on per contract per month basis. In the event that LP fails its obligation in a particular contract, LP will be required to pay the difference between the discounted trading fee and the standard trading fee and there will be no OAPI waiver and cash incentives given to the LP. Should an existing LP not fulfil the obligations for a period of two consecutive months, the Exchange reserves the right to terminate the LP.

## Proprietary Trader (PT) Program

1. The PT program is designed to reward top performing price taking clients. Upon meeting the minimum monthly volume, PT will receive trading fee rebates (up to a maximum amount) as follows:

| PT Tier | Aggregated Monthly Volume of MSCI Asia and Emerging Market Index Futures and Options Suite | Trading Fee Rebate % | Maximum Monthly Trading Fee Rebate |
|---------|--|----------------------|------------------------------------|
| 1       | 70,000 contracts   | 50%                  | No limit                           |
| 2       | 50,000 contracts   | 50%                  | HKD 190,000                        |
| 3       | 30,000 contracts   | 50%                  | HKD 110,000                        |
| 4       | 15,000 contracts   | 50%                  | HKD 50,000                         |
| 5       | 8,000 contracts  | 50%                  | HKD 20,000                         |

2. Block volume (i.e. trades reported via Block Trade Facility function in HKATS) will not be counted in the PT program. If PT does not meet Tier 5 Volume consistently for two months, the Exchange reserves the right to terminate the PT.

3. Other program details:

|                |   |
|----------------|---|
| Program Period | 12 months (July 2020 to June 2021); subject to review after |
| Eligibility    | EPs or direct clients of EPs                                |



**Block Trade Participant (BTP) Program**

The BTP program is designed to incentivize participants who can facilitate the matching of buyers and sellers of large blocks:

|                              | BTP Program  |
|------------------------------|--|
| Program Period               | 8 months (July 2020 to February 2021); subject to review after   |
| Eligibility                  | <ul style="list-style-type: none"> <li>Only EPs with a track record of reporting block trades on any one of the HKFE and flagship products (including HSI futures, HSI options, HSCEI futures and/or HSCEI options) via Block Trade Facility in HKATS in the past 12 months will be eligible to sign up to the program. EPs should have executed at least <b>100,000 contracts</b> in the past 12 months in any one of the HKFE and flagship products to be considered to have a track record.</li> <li>EP must be acting as an agent of the block trades. Those who act only as a principal will not be eligible for the program.</li> </ul>  |
| Requirement                  | <ul style="list-style-type: none"> <li>EPs will have to submit an application form to HKFE. In the application form, the EPs will have to declare they are only acting as an agent in relation to the block trades.</li> <li>For monitoring purposes, EPs will be required to provide a description of their clearing arrangement, the number of DCASS accounts they have and the function of each account.</li> </ul>   |
| Trades Captured              | Trades reported via Block Trade Facility function in HKATS   |
| Minimum Volume Qualification | Each qualified participant will have to execute <b>30,000 contracts</b> (buy + sell) block trades monthly for the MSCI Asia and Emerging Market Index Futures and Options Suite to be qualified in the incentive programme.  |
| Performance Measurement      | BTPs will be ranked based on the total number of contracts executed via block trades for the MSCI Asia and Emerging Market Index Futures and Options Suite monthly. Only Top 5 in any given month will receive incentives. Reset monthly.  |
| Cash Incentives              | <p>Top 5:</p> <ul style="list-style-type: none"> <li>1<sup>st</sup>: HKD 300,000</li> <li>2<sup>nd</sup>: HKD 150,000</li> <li>3<sup>rd</sup>, 4<sup>th</sup> and 5<sup>th</sup>: HKD 50,000 each</li> </ul> <p>The cash incentive given to the BTP will be capped to the total trading fees paid by the BTP in respect to the qualified block trades of BTP for the MSCI Asia and Emerging Market Index Futures and Options Suite that month.</p>   |
| Notes                        | The Exchange reserves the right to require all qualified BTPs to submit a month-end trade report detailing every block trade conducted in the market. In this report, they will have to provide details of every block trade (underlying instruments, the structure, size and price), the give up account details, indicate the client type of buyer or seller if applicable (hedge funds, asset managers, broker dealers, proprietary traders or house principal desks) and indicate if the buyer and seller are two different beneficial owners. Where circumstances warrant, BTPs would also be requested to provide documentary evidence to demonstrate the block trades should qualify. |

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