

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: Revision of the Quoting Requirement for the Liquidity Provider Program for MSCI India (USD) Net Total Return Index Futures

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Hong Kong Futures Exchange Limited (the “Exchange” or “HKFE”) announces the revision of the quoting requirement for the Tier 2 Liquidity Provider (“LP”) Program for the MSCI India (USD) Net Total Return Index (“MSCI India NTR”) Futures. The minimum quoting requirement will be revised from 70% of trading hours in T session to 50% of trading hours in T session. Details of the revised program are set forth in Attachment I.

The appointment of the Tier 2 LP for the MSCI India NTR Futures is now open for application. For the avoidance of doubt, existing Tier 2 LPs for the MSCI India NTR Futures are also required to submit their applications due to the change of the quoting requirement. Interested applicants should contact Ms. Emily Huang (EmilyHuang@hkex.com.hk) and Mr. Aaron Thio (AaronThio@hkex.com.hk) for application information. The deadline for application will be **2 December 2020**.

Alexander Siu
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Revised Tier 2 LP Program for MSCI India NTR Futures

1. Tier 2 LP is required to provide liquidity for the MSCI India NTR Futures in T session:

Program Period	From 1 December 2020 to 30 June 2021, both dates inclusive
Eligibility	EPs or direct clients of EPs
Quota	2 LP for T session
Obligations	<ul style="list-style-type: none"> • Provide two-way continuous bid/ask quote in MSCI India NTR Futures for 50% of trading hours in T session. • Final obligations including quote size and spread will be determined through bidding process.
Incentives:	
Trading Fee Discount	LP (market making account only) will pay a discounted trading fee of: <ul style="list-style-type: none"> • USD 0.30 for MSCI India NTR Futures
Cash Incentives	HKD 25,000 per contract per trading session per month
OAPI Sub-license Fee waiver	1 OAPI per contract

2. LP performance will be measured on per contract per trading session basis at the end of each month. In the event that an LP fails its obligation in a particular contract, the 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 two consecutive months, the Exchange reserves the right to terminate the LP.

HSI and HSCEI Futures Bundled Fee Rebates for LPs

1. In addition, reference is made to the circular (ref: [MKS/EQD/23/20](#)) dated 18 September 2020. From the effective date of the LP appointment to 16 February 2021 (both dates inclusive), upon meeting the trading requirement specified in the next paragraph, LP will receive 50% trading fee rebate on Hang Seng Index (“HSI”) Futures or Hang Seng China Enterprise Index (“HSCEI”) Futures on a 1:1 volume cleared basis in the monthly aggregate volume of the following contracts (“Eligible Contracts”), subject to a maximum of trading fee rebate of HKD 100,000 per month;

Eligible Contracts:

- MSCI Taiwan (USD) Index Futures
 - MSCI Taiwan Net Total Return (USD) Index Futures
 - MSCI Taiwan 25/50 (USD) Index Futures
 - MSCI Taiwan 25/50 Net Total Return (USD) Index Futures
 - MSCI Singapore Free (SGD) Index Futures
 - MSCI Singapore Free Net Total Return (USD) Index Futures
 - MSCI Singapore Net Total Return (USD) Index Futures
2. The volume and fee rebate measurement will be on monthly basis. LPs will need to meet a monthly minimum aggregate clearing volume of 100 contracts (excluding block trade volume) in the Eligible Contracts during the specified period to be entitled to receive the fee rebates.
 3. For the avoidance of doubt, LPs who are eligible to receive a reduction in trading fees for HSI Futures or HSCEI Futures pursuant to another incentive scheme (e.g. as market maker for standard/mini HSI Options / HSCEI Options, or as LP / Proprietary Trader in other Bundled Incentive programs, etc) will not be able to include these already discounted HSI Futures and HSCEI Futures contracts in the 1:1 volume calculation under this incentive scheme for further fee rebates.

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