

香港中央結算有限公司
(香港交易及結算所有限公司全資附屬公司)

HONG KONG SECURITIES CLEARING COMPANY LIMITED
(A wholly-owned subsidiary of Hong Kong Exchanges and Clearing Limited)

通告 CIRCULAR

Subject: Special Arrangement for Acceptance of HKD or USD as Collateral for the Early Release of China Connect Securities that are Securities-on-hold for Further Weight Increase of China A shares in the MSCI Indices

Enquiry: China Connect Hotline (Tel: 2979 7123 E-mail : clg@hkex.com.hk)

Reference is made to the circular issued by HKSCC on 10 May 2019 (Reference: [CD/CDCO/CCASS/088/2019](#)). To cater for further weight increase of China A shares in the MSCI Indices in August 2019, HKSCC will increase the daily limit temporarily for acceptance of HKD or USD as collateral for the early release of China Connect Securities that are Securities-on-hold and adjust the haircut rate as follows:

Relevant Index Rebalancing	Applicable Period	Daily Limit (RMB equivalent per CCCP)	Haircut Rate	
			HKD	3.4%
MSCI	23 - 29 August 2019 ¹	3 Billion	USD	3.4%

Irene Lee
Vice President
Clearing Risk Management

¹ Applicable period is a five-day period covering the two business days prior and after rebalance date. Since MSCI announced that the changes of the August 2019 Quarterly Index Review will be made as of the close of 27 August 2019, the applicable period of the subject special arrangement has been changed from 26 - 30 August 2019 to 23 - 29 August 2019.