

香港場外結算有限公司
(香港交易及結算所有限公司附屬公司)

OTC CLEARING HONG KONG LIMITED
(A subsidiary of Hong Kong Exchanges and Clearing Limited)

通告 CIRCULAR

Subject: **2024 Planned Initiatives for OTC Clearing Hong Kong Limited (“OTC Clear”)**

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Hong Kong Exchanges and Clearing Limited (HKEX) plans to implement the following initiatives relating to OTC Clear in 2024. To facilitate Clearing Members (CMs)’ planning and preparation, please find the initiatives as follows:

1. Swap Connect Clearing Service Enhancements

Following the launch of Swap Connect on 15 May 2023, OTC Clear targets to implement service enhancements based on feedbacks from market participants. Key service enhancements planned to deliver in 2024 include acceptance of new Northbound swaps for clearing on Special Working Day¹ and resubmission of rejected Northbound swaps on the same Northbound Clearing Day. More information will be announced in due course.

2. ISO 20022 Upgrade of SWIFT Messages for Money Settlement

To act in concert with the global standard of adopting ISO 20022 in SWIFT and Hong Kong RTGS for payment-related SWIFT messages, OTC Clear has planned to migrate money settlement messages from existing SWIFT MT messages to ISO 20022 XML-based messages. CMs shall always maintain capability to construct payment messages in ISO 20022 standard to OTC Clear. The money settlement messages migration is targeted for 22 April 2024 tentatively.

3. Upgrade of SDNet/2 Equipment

OTC Clear will upgrade SDNet/2 WAN Gateways tentatively in January/February 2024 in order to ensure the continued reliability and performance of the network. The upgrade will be transparent to CMs. CMs who are subscribing SDNet/2 services are highly recommended to join Connectivity Test and Post Release Tests to confirm connectivity after the upgrade of network equipment. Details will be announced in mid of December 2023.

¹ A Special Working Day is a Saturday or a Sunday on which the onshore interbank derivatives market is open.

4. Upgrade of Secure File Transfer (sFTP) Service

OTC Clear will migrate Secure File Transfer (sFTP) Service onto a new platform in order to further improve the system stability and expandability. New IP addresses and access accounts will be assigned to CMs. Details will be announced in Q1 2024.

CMs are highly recommended to coordinate with their IT teams / vendors for necessary planning and preparation. For any enquiries, please contact the OTC Clear hotline at 2211 6508 or email to OTC_Operations@hkex.com.hk

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