Reduction of Minimum Spreads in the Hong Kong Securities Market

Frequently Asked Questions

(Version Date: 31 October 2026)

Note: This document will be updated from time to time to reflect the latest development and please refer to the latest version for further details.

1. What products will be affected by minimum spreads reductions? (Updated as of 12 Jun 2025)

The products which will be impacted by minimum spreads reductions are all securities (i.e. equities, Real Estate Investment Trusts ("REITs"), equity warrants and all other securities), **excluding** Exchange Traded Products ("ETPs"), debt securities, Exchange Traded Options ("ETOs"), Structured Products (including Callable Bull / Bear Contracts ("CBBC") and Derivative Warrants ("DW")) (the in-scope products hereinafter referred to as the "Applicable Securities"). The minimum spreads applicable to the excluded securities will remain unchanged.

	Product Type	Spread Table Arrangement
Applicable Securities	• All securities (including equities, REITs, equity warrants and all other securities, except the excluded securities)	Applicable Securities will continue to use the spread table code 01, and the minimum spreads of which will be reduced upon the implementation. Please refer to the Consultation Conclusion, or the below illustration of **Updated spread table code 01** in Q10.
Excluded Securities	• ETPs • Debt securities • ETOs	The current spread table codes and respective minimum spreads remain unchanged.

	• Inline Warrants	
	• Structured Products (including CBBC and DW)	A new spread table code 06 will be introduced upon the implementation of phase 1. The design of the price band and minimum spreads in spread table code 06 will be the same as the current design of the spread table 01. Please refer to the below illustration of **New spread table code 06** in Q10**.**

2. Why are the spread tables of debt securities, ETOs, ETPs and Structured Products not included in this review? (Updated as of 24 Mar 2025)

The minimum spreads for ETPs were reviewed in 2020 and ETPs have subsequently been traded efficiently. While the current spread table for Structured Products aligns with that of Applicable Securities, given the product segment operates within a different trading ecosystem which necessitates a separate spread table arrangement, the spread table for Structured Products will remain unchanged. The spread tables for debt securities and ETOs will remain unchanged as well.

3. Does the additional 5% requirement in the Quotation Rules[1] apply to particular price band(s) only? (Updated as of 31 October 2026)

The update in the proposed allowable price limit under the Quotation Rules for all securities except ETPs to either ±24 spreads or 5% from the reference price, whichever is greater in percentage terms, will apply across all the price bands during the Continuous Trading Session.

It should also be noted that the scope and requirement of the "5-times rule" (i.e. order price should not deviate 5 times or more from the nominal price), or in respect of a Structured Product, "9-times rule" (i.e. order price should not deviate 9 times or more from the nominal price) will remain unchanged.

[1] The "Quotation Rules" refers to the relevant quotation rules that govern the order input prices currently expressed in the number of 24 trading spreads during the Continuous Trading Session under Chapter 5 of the Rules of the Exchange.

4. **Will off-exchange trades[2] be affected by the additional 5% requirement? (Updated as of 24 Mar 2025)**

   Please refer to the Appendix of the Exchange circular (Ref. No.: CT/027/25) for details.

5. **When will the changes in Quotation Rules, single stock options market making obligations and stock settlement fees come into effect? (Updated as of 5 Jun 2025)**

   For the changes in Quotation Rules, please refer to the Appendix of the Exchange circular (Ref. No.: CT/027/25) for details.

   For the changes in stock settlement fees, please refer to the Exchange circular (Ref. No.: PT/SCS/CCASS/022/2025) for details.

   For the changes in single stock options market making obligations, the Exchange will contact relevant marker makers directly in due course.

6. **Will the spread data for each product become available in Orion Market Data Platform – Securities Market (OMD-C) and Mainland Market Data Hub – Securities Market (OMD-C MMDH) as part of the reduction of minimum spreads initiative?**

   No. OMD-C and OMD-C MMDH will continue to provide the "Spread Table Code", which indicates the spread table for the corresponding security, via the Security Definition (11) message.

7. **Will there be any changes in OMD-C and OMD-C MMDH Interface Specification? (Updated as of 24 Mar 2025)**

   There will be no interface change to the OMD-C and OMD-C MMDH. However, the OMD-C and OMD-C MMDH Interface Specification have been updated to provide a new spread table code via Security Definition (11) message.

   The updated documents can be found in OMD-C and OMD-C MMDH web corners.

[2] For the avoidance of doubt, off-exchange trades refer to trades conducted outside of SEHK's trading system, Orion Trading Platform – Securities Market (OTP-C), but are reportable by Exchange Participants to the Exchange pursuant to the Rules.

8. **Will Exchange Participants ("EPs") be required to complete any specific test case during the market rehearsal? (Updated as of 5 Jun 2025)**

   Please note that participation in the market rehearsal will be mandatory for all EPs. Detailed information regarding the test schedule and relevant materials are available on the web corner for the initiative.

9. **What factors will be considered when assessing the result of phase 1?**

   HKEX will conduct a thorough assessment of various factors. Indicators such as changes in bid-ask spreads, order book depth and order message traffic may be examined.

10. **What is the spread table code arrangement for the implementation of phase 1? (Updated as of 24 Mar 2025)**

    Currently, there are four spread table codes in use in OMD-C and OMD-C MMDH: 01, 03, 04, and 05. Of which spread table code 01 applies to all securities other than debt securities, Exchange Traded Options, and Exchange Traded Products.

    However, with the implementation of minimum spreads reduction outlined in the Consultation Conclusions, there will be two changes:

    (1) The scope of Applicable Securities specified in spread table code 01 will be adjusted to include all securities except debt securities, Exchange Traded Options, Exchange Traded Products and Structured Products.

    (2) A new spread table code 06 will be introduced for Structured Products.

Details of the new spread table code are outlined as below:

Updated spread table code 01 (Apply to all securities except debt securities, Exchange Traded Options, Exchange Traded Products and Structured Products)

Price Band (currency unit) [1]				Minimum spread
From	0.01	to	0.25	0.001
Over	0.25	to	0.50	0.005
Over	0.50	to	10.00	0.010
Over	10.00	to	20.00	0.010
Over	20.00	to	50.00	0.020
Over	50.00	to	100.00	0.050
Over	100.00	to	200.00	0.100
Over	200.00	to	500.00	0.200
Over	500.00	to	1,000.00	0.500
Over	1,000.00	to	2,000.00	1.000
Over	2,000.00	to	5,000.00	2.000
Over	5,000.00	to	9,995.00	5.000

New spread table code 06 (Apply to Structured Products only)

Price Band (currency unit) [2]				Minimum Spread
From	0.01	to	0.25	0.001
Over	0.25	to	0.50	0.005
Over	0.50	to	10.00	0.010
Over	10.00	to	20.00	0.020

[1] Applicable to all currency units including Hong Kong dollar.
[2] Applicable to all currency units including Hong Kong dollar.

Price Band (currency unit) [2]				Minimum Spread
Over	20.00	to	100.00	0.050
Over	100.00	to	200.00	0.100
Over	200.00	to	500.00	0.200
Over	500.00	to	1,000.00	0.500
Over	1,000.00	to	2,000.00	1.000
Over	2,000.00	to	5,000.00	2.000
Over	5,000.00	to	9,995.00	5.000

The above adjustments are made specially for the phase 1 implementation of minimum spreads reduction only. Market participants are advised to stay informed on any further development and/or potential changes through HKEX announcements.