



VaR Platform – Briefing for Practice Session and Operational Flow

Operations Division

16/ 17/ 18 February 2022

Revised after incorporating questions from participants during briefing

HKEX
香港交易所

Agenda

- What is VaR Platform
- Latest Update of Familiarisation Programme
- Objectives of the Briefing
- Normal Day Operational
- Contingency Arrangement in case of VaR Failure
- Practice Session
- Appendix



What is VaR Platform?

VaR Platform, is a new single risk engine with new risk model, to be applied to HKSCC's Hong Kong market and is mandatory for **all HKSCC Clearing Participants (CPs)**. VaR Platform will take up risk functions from CCASS, with a new infrastructure:

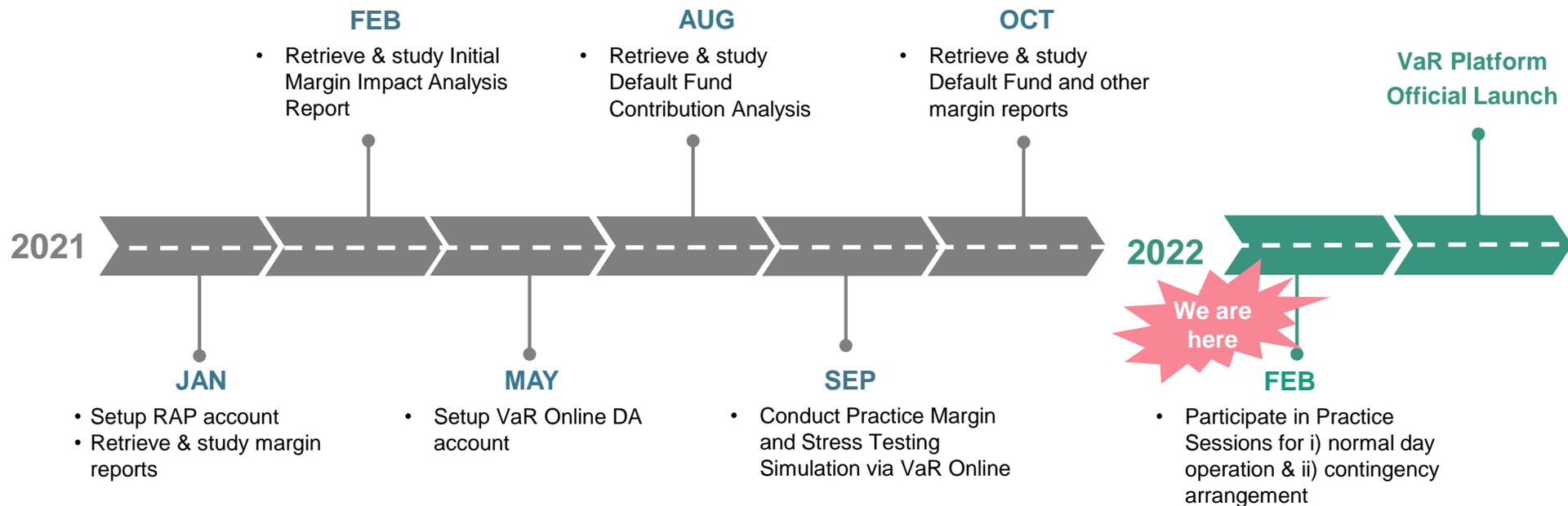
New Infrastructure	
CCASS	Decommission risk functions ¹ to VaR Platform
 VaR Platform	<ul style="list-style-type: none"> • Single risk engine for risk monitoring & calculation for Hong Kong, Shanghai & Shenzhen markets • Initial Margin, <i>applicable to Hong Kong securities market only</i> : flat margin rate → portfolio margining • Stress Testing for Default Fund (DF), <i>applicable to Hong Kong securities market only</i> : same scenarios for ALL → multiple product-specific scenarios per security
 Report Access Platform (RAP)	Centralised report platform for retrieval of VaR Platform reports & data files



Noted: 1. Including margin, marks and stress testing calculation and relevant reporting.

Latest Update of Familiarisation Programme

Since 2021, a sequence of events have been arranged as part of the VaR Platform Familiarisation Programme to facilitate CPs to have a thorough understanding on the new risk model and VaR Platform prior to the official launch, including:



Details of the Practice Session to be provided in the following slides



Objectives of the Briefing

1. To introduce the daily operational flow and contingency under VaR Failure for participants to prepare for internal operational procedures on risk monitoring, if applicable and fund projection requirement; and
2. To walkthrough the details of the Practice Session and simulated schedule for normal day and contingency under VaR Failure to prepare for official launch.

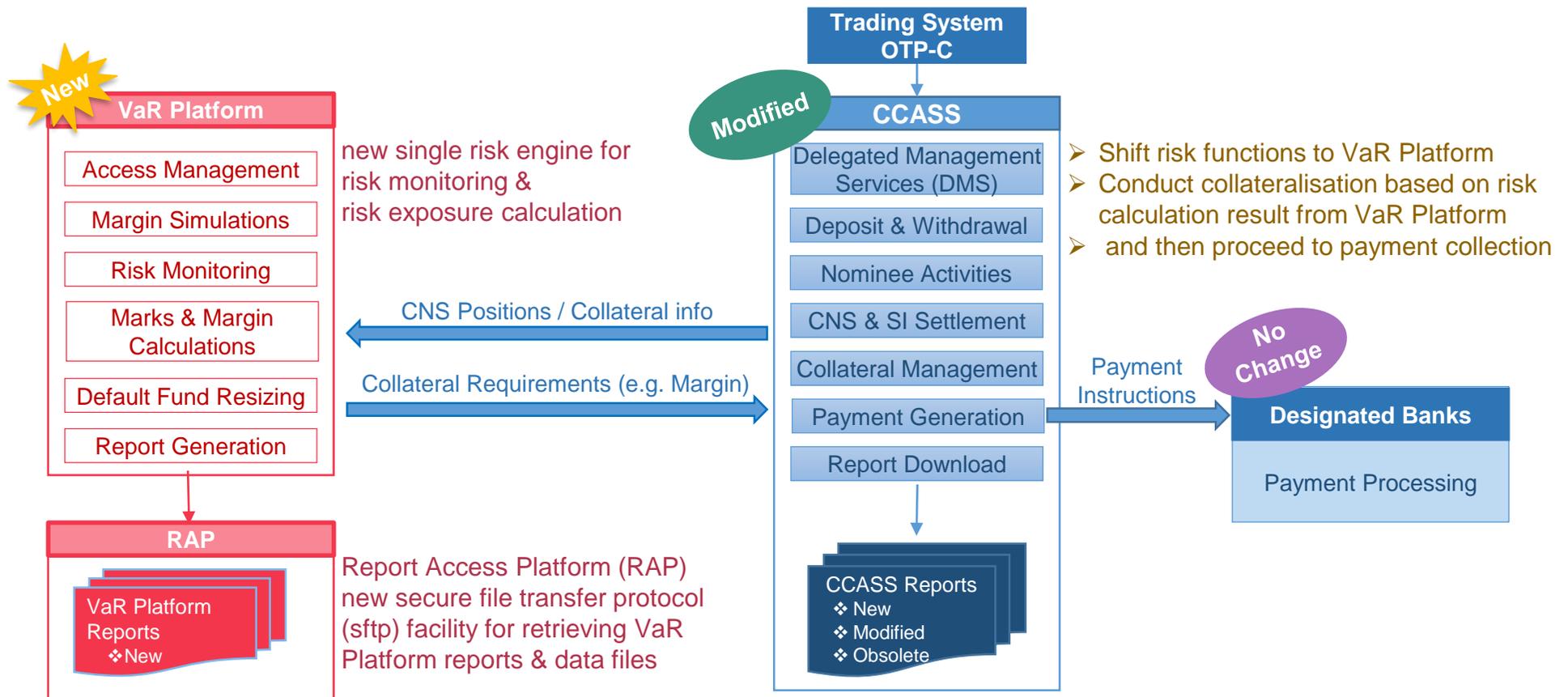


Normal Day Operation

1. **Marks and Margin of Hong Kong Market**
2. **Stress Test and Default Fund**
3. **Northbound MSTD and MSCD**



Relationship between CCASS, VaR Platform and RAP



User Setup to access RAP and VaR Online

Familiarisation Programme is available since January 2021, CPs should have completed steps 1 and 2 below by now.



1. Setup RAP User account & connectivity

- Register for RAP User account by submitting a duly signed [RAP Registration Form](#) to HKSCC via email, **one User account can apply to 2 workstations.**
- Receive the RAP User account from HKSCC for RAP access.
- Ensure SFTP client software be adhered to the SFTP standard, refer details to [RAP Technical Guide](#).
- Login RAP and verify the connectivity during its operating hours, **from 07:00 to 00:00 every business day.**
- Each RAP account contains 3 main folders covering the VaR Platform related supporting documents. CPs should check if the folders are accessible.

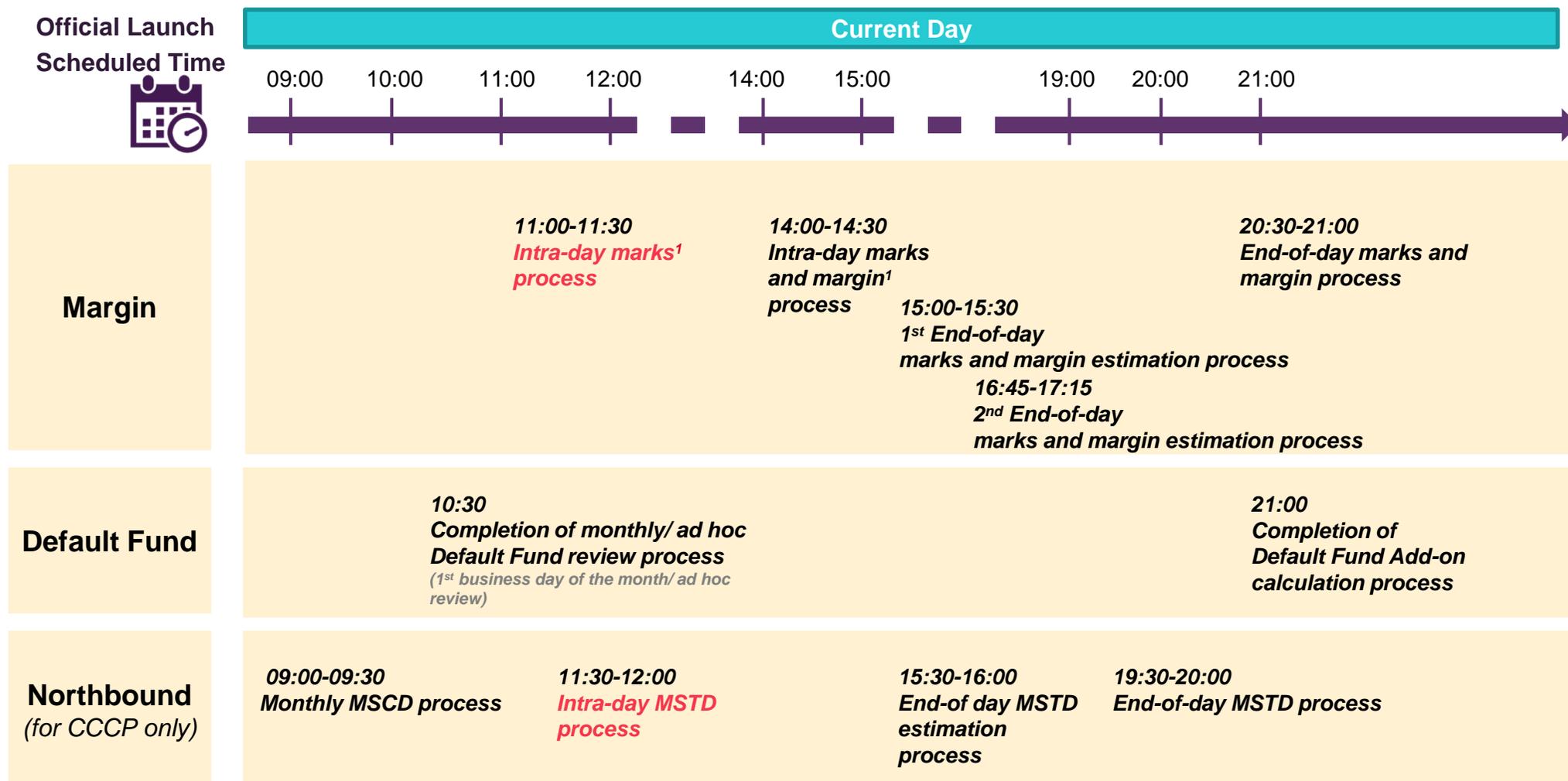
2. Setup Delegated Administrator (DA) account to access VaR Online

- CPs are required to appoint at least 2 DA users to setup and maintain CPs' designated user for accessing VaR Online.
 - *For DA accounts created during the Familiarisation Programme, user access will also be granted by default.*



Normal Day Operation

CPs should refer to CCASS reports for their actual risk and payment obligations:



CPs are reminded to set up standing instructions to settle **intra-day risk payment** by CHATS Payment Instruction (CPI) with eService AC15²

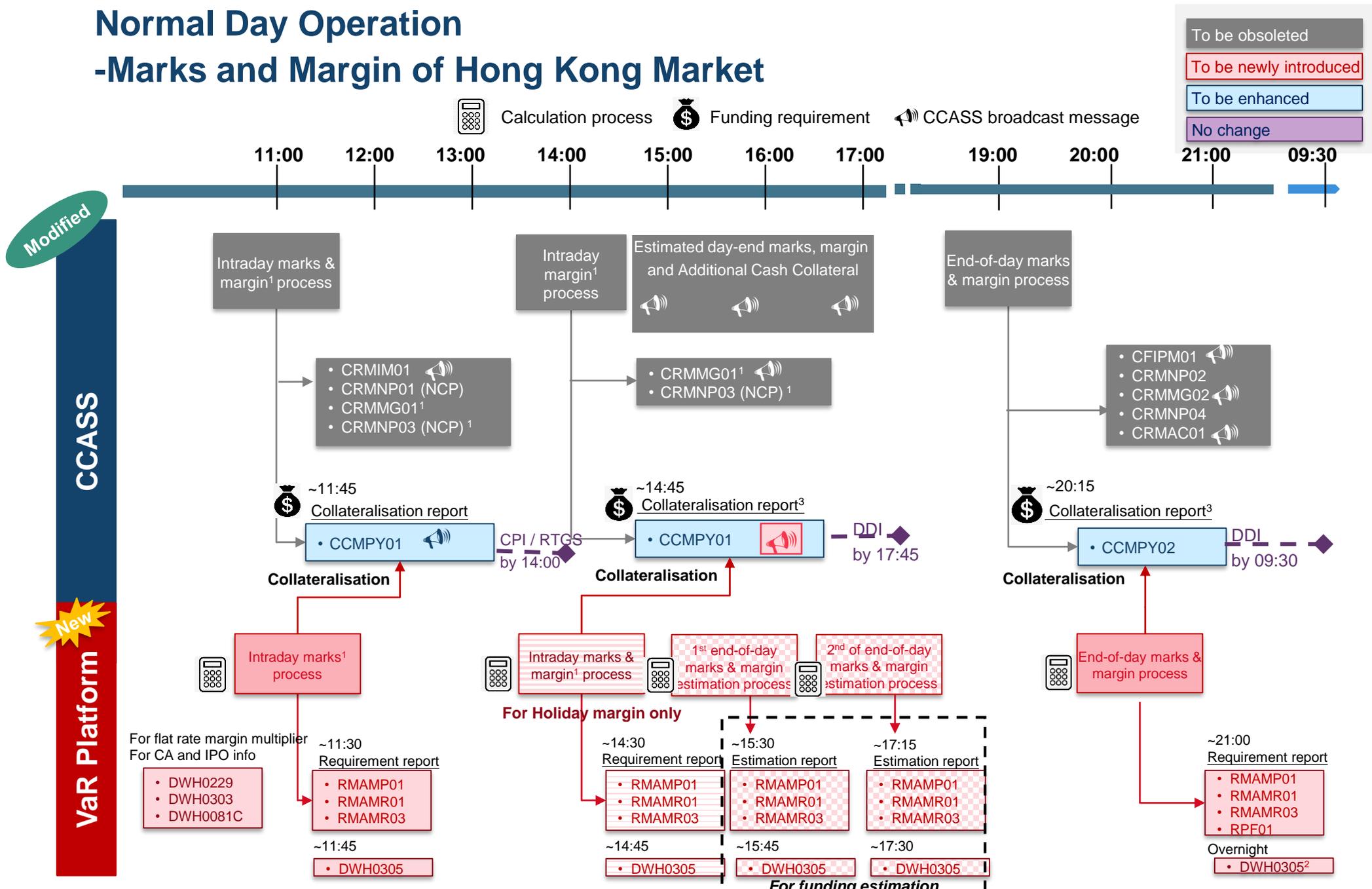


Notes : 1. Intra-day Margin will be called on the business day before weekday holidays which last for more than one day. It will be called at 11:00 when the business day is a CCASS non-settlement day while it will be called at 14:00 when it is a CCASS settlement day.

2. eService AC15 would takes 1 to 2 weeks to be effective. For CPs yet to setup CPI with their designated banks (DB), please do setup CPI with DB first; then submit & complete eService AC 12; before submitting eService AC15. Usually DB needs 3 to 4 weeks to setup CPI

Normal Day Operation

-Marks and Margin of Hong Kong Market



Note: 1. Intra-day Margin will be called on the business day before weekday holidays which last for more than one day. It will be called at 11:00 when the business day is a CCASS non-settlement day while it will be called at 14:00 when it is a CCASS settlement day.

2. End-of-day Series Price Report (DWH0305) will be generated overnight, CPs will be able to retrieve via RAP the next business day, as the operational hour of RAP is from 07:00 - 24:00 on each business day.

3. CPs should refer to collateralisation report for the funding requirement, while refer to Statement of Money Ledger (CSEMA08/CSEMS08) for money movement for marks and margin collected and refunded where applicable.

Marks and Margin of Hong Kong Market

For Normal Day

	Processing Time	VaR Platform	RAP	CCASS
Intra-day Marks¹ Requirement	~11:00 – 11:30	Intra-day marks process for requirement		
	~11:30		Reports available: 1.Marginable Position Report (RMAMP01) 2.MTM and Margin Requirement Report (RMAMR01) 3.MTM and Margin Requirement Report (Summary Version) (RMAMR03) 4.Series Price Report (DWH0305) ²	
Funding Requirement	~11:45			Collateralisation based on risk calculation result from VaR Platform to produce: 1.Posting / Collateralisation Result Report (CCMPY01)
Payment Deadline	14:00			Payment via CPI / RTGS

	Processing Time	VaR Platform	RAP	CCASS
Intra-day Marks and Margin¹ Requirement	~14:00 – 14:30	Intra-day marks and margin process for requirement		
	~14:30		Reports available: 1.Marginable Position Report (RMAMP01) 2.MTM and Margin Requirement Report (RMAMR01) 3.MTM and Margin Requirement Report (Summary Version) (RMAMR03) 4.Series Price Report (DWH0305) ²	
Funding Requirement	~14:45			Collateralisation based on risk calculation result from VaR Platform to produce: 1.Posting / Collateralisation Result Report (CCMPY01)
Payment Deadline	17:45			Payment via DDI



Note: 1. Intra-day Margin will be called on the business day before weekday holidays which last for more than one day. It will be called at 11:00 when the business day is a CCASS non-settlement day while it will be called at 14:00 when it is a CCASS settlement day. 11

2. Series Price Report (DWH0305) for intra-day will be generated ~15mins after the availability of margin reports.

Marks and Margin of Hong Kong Market (Cont'd)

For Normal Day

	Processing Time	VaR Platform	RAP	CCASS
End-of-day Marks & Margin Estimation	~15:00–15:30 (1 st)	End-of-day marks and margin estimation process for requirement		
	~16:45–17:15 (2 nd)			
	~15:30 (1 st)		Reports available: 1.Marginable Position Report (RMAMP01) 2.MTM and Margin Requirement Report (RMAMR01) 3.MTM and Margin Requirement Report (Summary Version) (RMAMR03) 4.Series Price Report (DWH0305) ¹	
	~17:15 (2 nd)			

	Processing Time	VaR Platform	RAP	CCASS
End-of-day Marks & Margin Requirement	~20:30 – 21:00	End-of-day marks and margin process for requirement		
	~21:00		Reports available: 1.Marginable Position Report (RMAMP01) 2.MTM and Margin Requirement Report (RMAMR01) 3.MTM and Margin Requirement Report (Summary Version) (RMAMR03) 4.Series Price Report (DWH0305) ¹ 5.Initial Margin Risk Parameter File (RPF01) ²	
Funding Requirement	~20:15			Collateralisation based on risk calculation result from VaR Platform to produce: 1.Posting / Collateralisation Result Report (Day-End) (CCMPY02)
Payment Deadline	Next day 09:30			Payment via DDI

Note: 1. Series Price Report (DWH0305) for estimation will be generated ~15mins after the availability of margin reports; while the end-of-day report will be generated overnight and CPs will be able to retrieve via RAP the next business day, as the operational hour of RAP is from 07:00 - 24:00 on each business day.

2. Applicable to CPs who have subscribed for Risk Parameter Files (RPF) folder only.



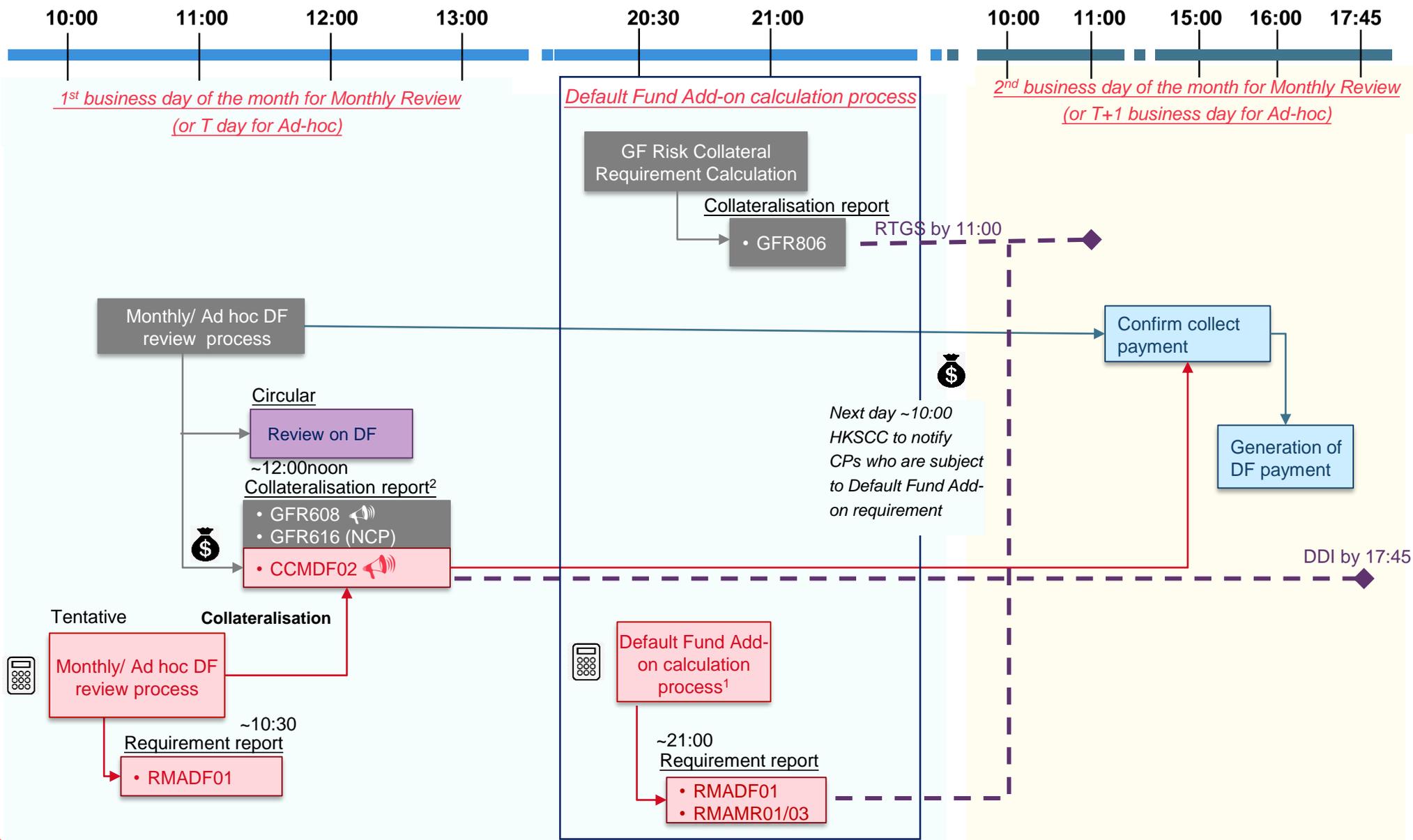
Normal Day Operation -Default Fund

Legend for process changes:

- To be obsolete
- To be newly introduced
- To be enhanced
- No change

Calculation process
 Funding requirement
 CCASS broadcast message

Modified
CCASS
New
VaR Platform



Remark: 1. HKSCC will calculate the Default Fund Add-on requirement for the required CPs daily and will refund/collect additional collateral on the next business day
 2. CPs should refer to collateralisation report for the funding requirement, while refer to Statement of Money Ledger (CSEMA08/CSEMS08) for money movement for Default fund contribution collected and refunded where applicable.

Default Fund

For Normal Day

	Processing Time	VaR Platform	RAP	CCASS
Monthly/ Ad hoc Default Fund Review Requirement	~10:00 – 10:30	Monthly/ ad hoc Default Fund review for requirement		
	~10:30		Reports available: 1.Default Fund Requirement Report (RMADF01)	
Funding Requirement	~12:00			Collateralisation based on risk calculation result from VaR Platform to produce: 1.Statement of Default Fund Contribution (CCMDF02)
Payment Deadline	Next day 17:45			Payment via DDI

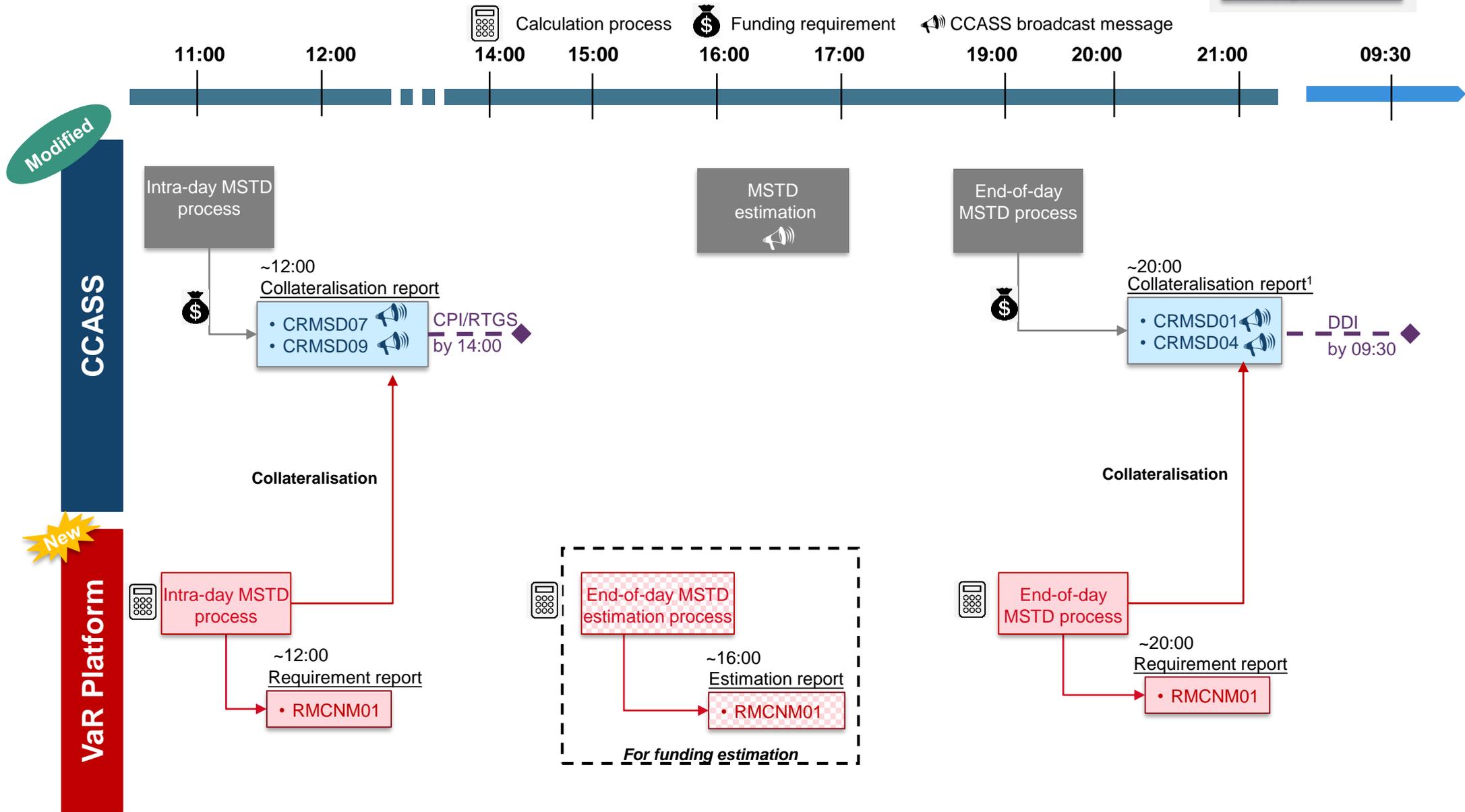
	Processing Time	VaR Platform	RAP	CCASS
Default Fund Add-on Requirement	~20:30 – 21:00	Default Fund Add-on for requirement		
	~21:00		Reports available: 1.Default Fund Requirement Report (RMADF01) 2.MTM and Margin Requirement Report (RMAMR01) 3.MTM and Margin Requirement Report (Summary Version) (RMAMR03)	
Funding Requirement	By next day ~10:00			<i>HKSCC to notify CPs who are subject to Default Fund Add-on requirement</i>
Payment Deadline	Next day 11:00 <i>(for CPs who are subject to Default Fund add-on only)</i>			Payment via RTGS



Normal Day Operation -Northbound MSTD (for CCCP)

Legend for process changes:

- To be obsolete (Grey box)
- To be newly introduced (Red box)
- To be enhanced (Blue box)
- No change (Purple box)



Note: 1. CPs should refer to collateralisation report for the funding requirement, while refer to Statement of Money Ledger (CSEMA08/CSEMS08) for money movement for MSTD collected and refunded where applicable.



Northbound MSTD (for CCCP)

For Normal Day				
Intra-day MSTD Requirement	Processing Time	VaR Platform	RAP	CCASS
	~11:30 – 12:00	Intra-day MSTD process for requirement		
	~12:00		Reports available: 1.Risk - Northbound MSTD Requirement Report (RMCNM01)	
	~12:00			Collateralisation based on risk calculation result from VaR Platform to produce: 1.Intra-day Mainland Settlement Deposit Payable Report (SH/SZ) (CRMSD07/09)
Funding Requirement				
Payment Deadline	14:00			Payment via CPI / RTGS
End-of-day MSTD Estimation	Processing Time	VaR Platform	RAP	CCASS
	~15:30 – 16:00	End-of-day MSTD estimation process for requirement		
	~16:00		Reports available: 1.Risk - Northbound MSTD Requirement Report (RMCNM01)	
End-of-Day MSTD Requirement	Processing Time	VaR Platform	RAP	CCASS
	~19:30 – 20:00	End-of-day MSTD process for requirement		
	~20:00		Reports available: 1.Risk - Northbound MSTD Requirement Report (RMCNM01)	
	~20:00			Collateralisation based on risk calculation result from VaR Platform to produce: 1.Mainland Settlement Deposit Payable Report (SH/SZ) (CRMSD01/04)
Funding Requirement				
Payment Deadline	Next day 09:30			Payment via DDI

Normal Day Operation -Northbound MSCD (for CCCP)

To be obsolete

To be newly introduced

To be enhanced

No change

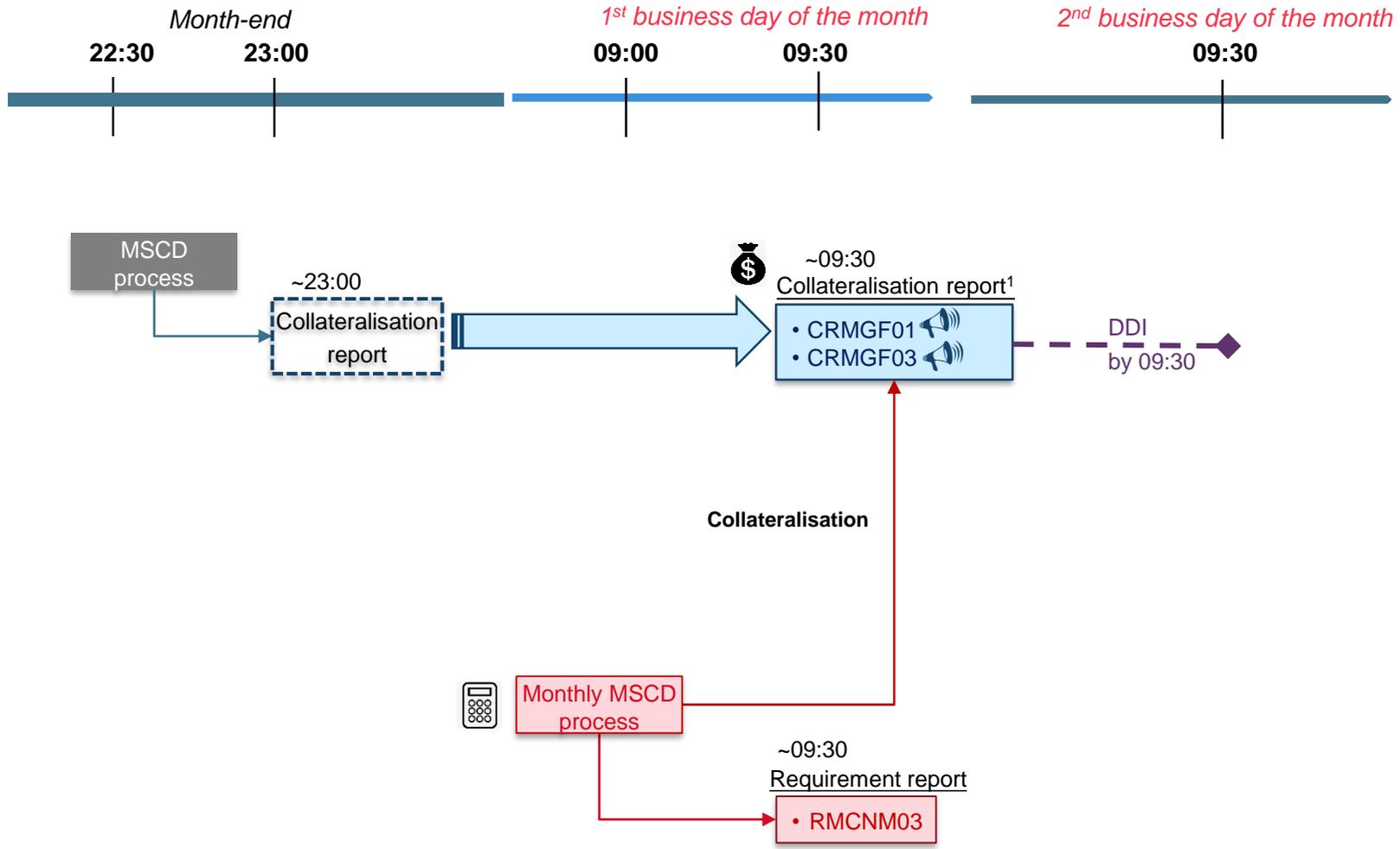
 Calculation process
  Funding requirement
  CCASS broadcast message

Modified

CCASS

New

VaR Platform



Note: 1. CPs should refer to collateralisation report for the funding requirement, while refer to Statement of Money Ledger (CSEMA08/CSEMS08) for money movement for MSCD collected and refunded where applicable.

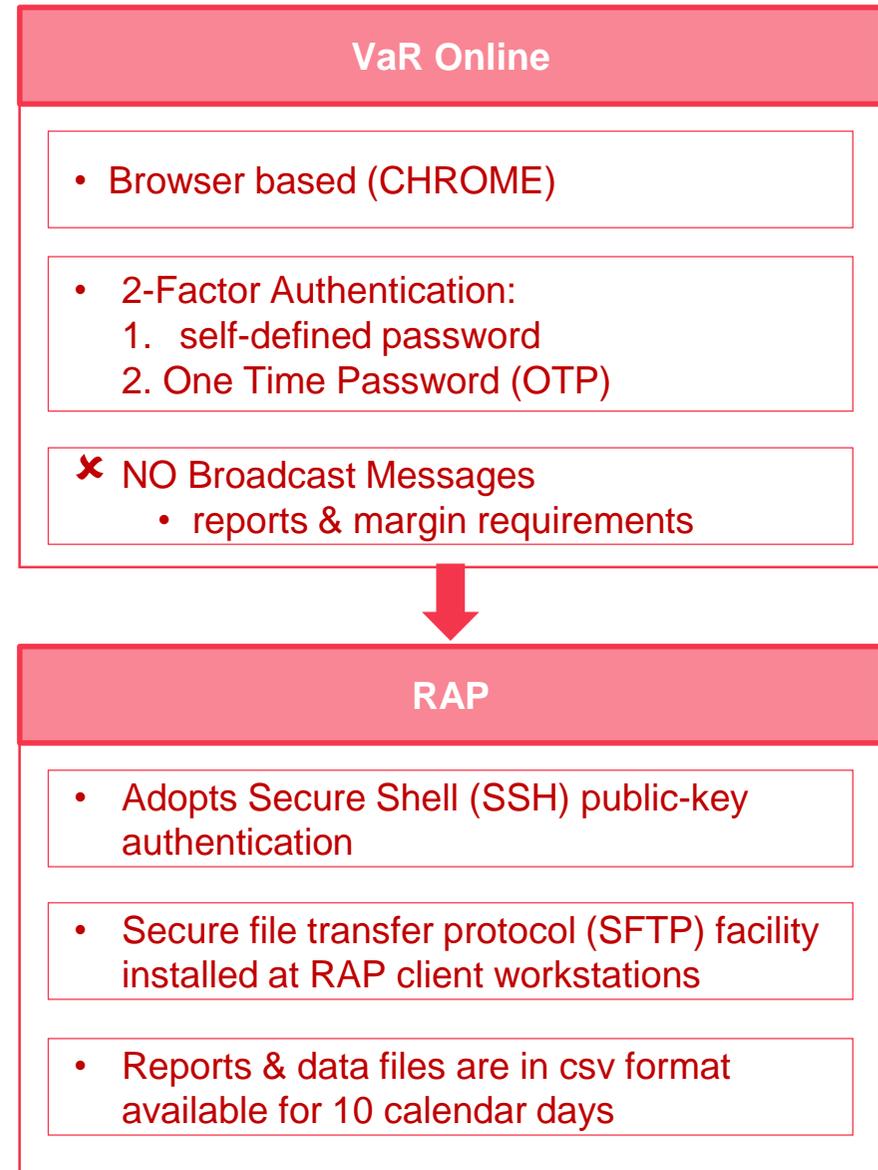
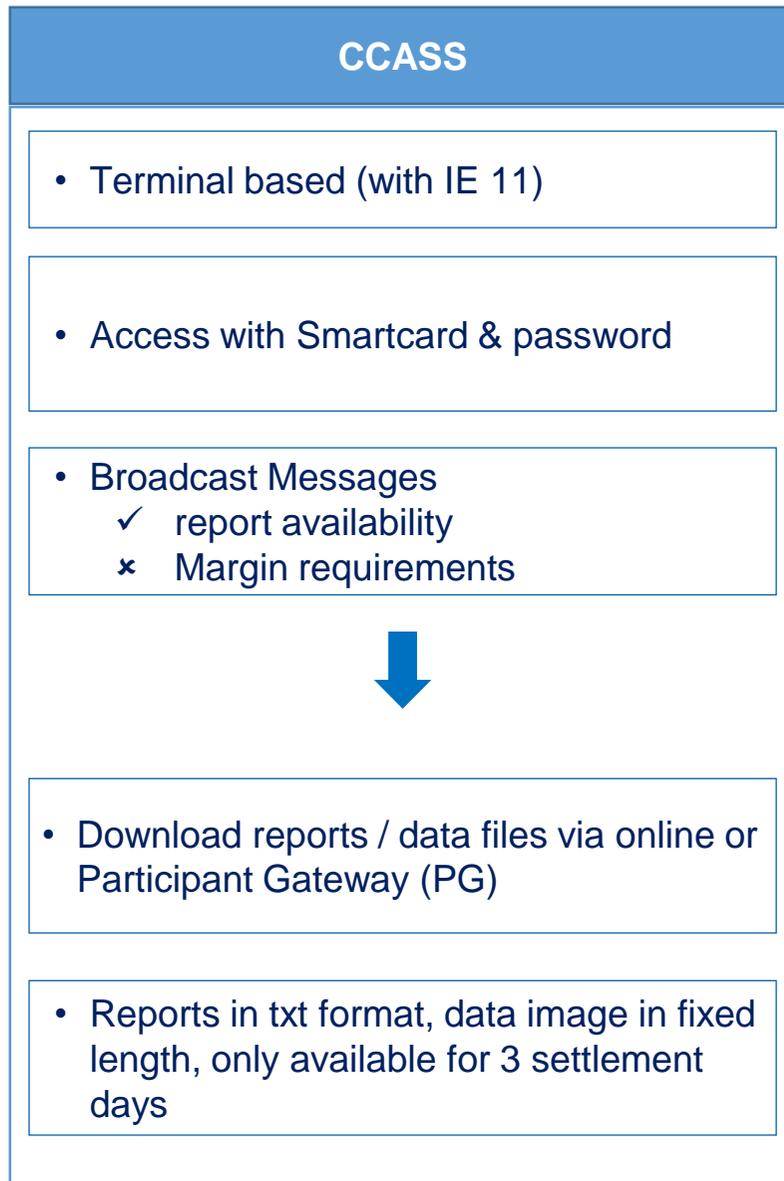
Northbound MSCD (for CCCP)

For Normal Day

	Processing Time	VaR Platform	RAP	CCASS
Monthly MSCD Requirement	~09:00 – 09:30	Monthly MSCD process for requirement		
	~09:30		Reports available: 1.Risk - Northbound MSCD Requirement Report (RMCNM03)	
Funding Requirement	~09:30			Collateralisation based on risk calculation result from VaR Platform to produce: 1.Mainland Security Deposit Payable Report (SH/SZ) (CRMGF01/03)
Payment Deadline	Next day 09:30			Payment via DDI



Operational Difference between CCASS and VaR Platform

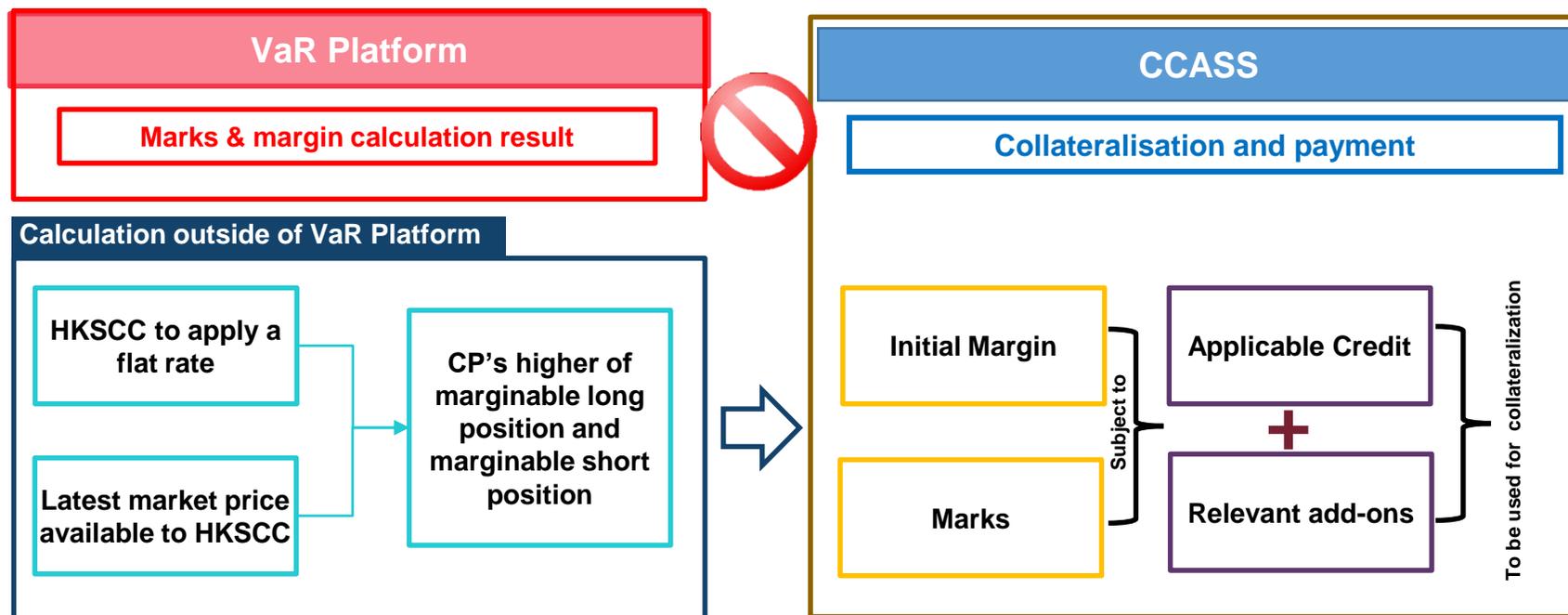


Contingency Arrangement in case of VaR Failure



Contingency Arrangement - in case of Failure of VaR Platform

Alternative Method will be used to calculate Marks and Margin



- CP's initial margin and marks requirement = $\text{Max} [\text{Flat rate}^1 \times \text{higher of (CP's marginable long positions}^2, \text{CP's marginable short positions)}^3 - \text{margin credit}^4 - \text{favourable marks}^5, 0] + \text{unfavourable marks}^6 + \text{position limit add-on}^7 + \text{credit risk add-on}^7 + \text{ad hoc add-on}^7$

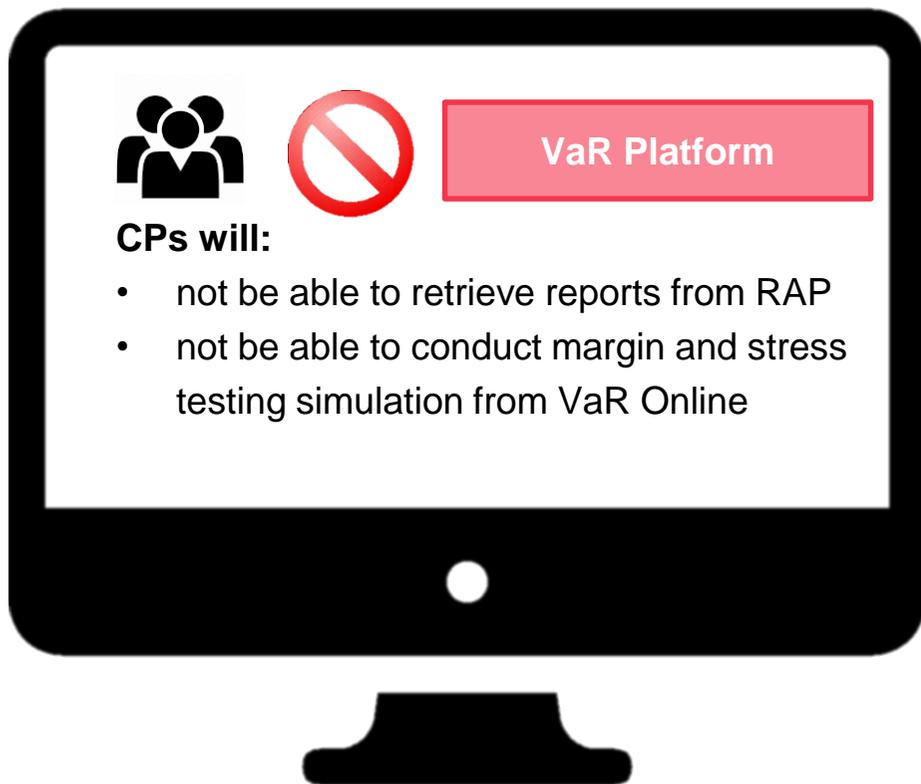
Where:

- Flat rate will be set to 6% and subject to finalization.
- CP's marginable long position refers to the aggregated market value of marginable position CP bought
- CP's marginable short position refers to the aggregated market value of marginable position CP sold (in absolute value)
- Margin credit is assumed to be 5 million Hong Kong Dollar for each CP
- Favourable marks means mark-to-market gain / profit of CP's portfolio
- Unfavourable marks means mark-to-market loss of CP's portfolio
- Position limit add-on, credit risk add-on, and ad hoc add-on refer to the latest results calculated and shown in the MTM and Margin requirement report before the VaR platform failure



Communication Arrangement

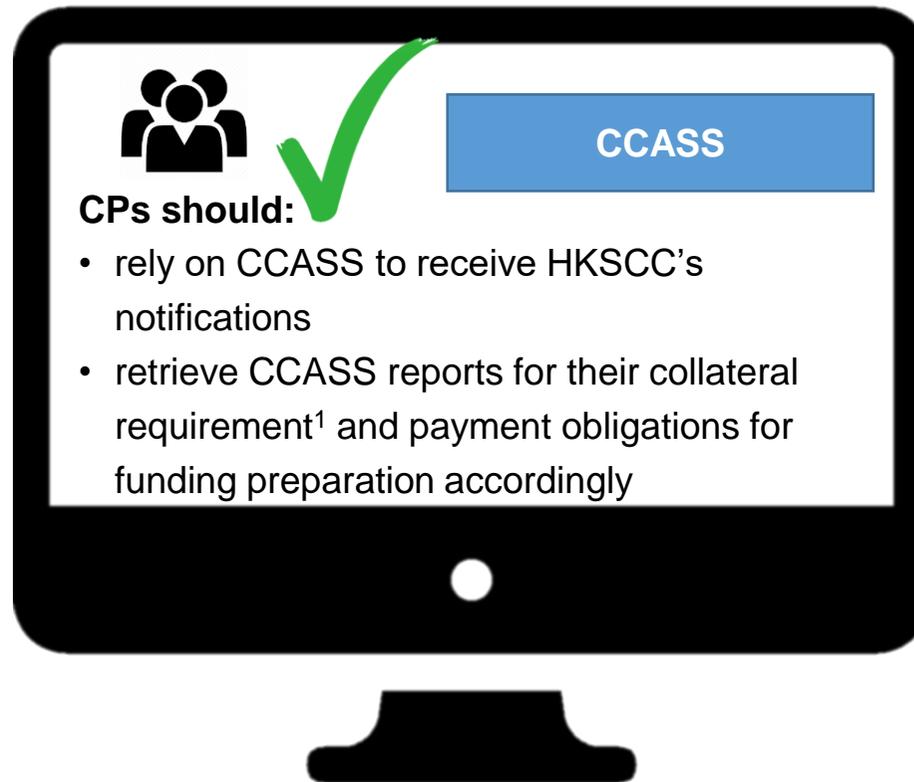
Under the situation of VaR Platform failure:



CPs will:

- not be able to retrieve reports from RAP
- not be able to conduct margin and stress testing simulation from VaR Online



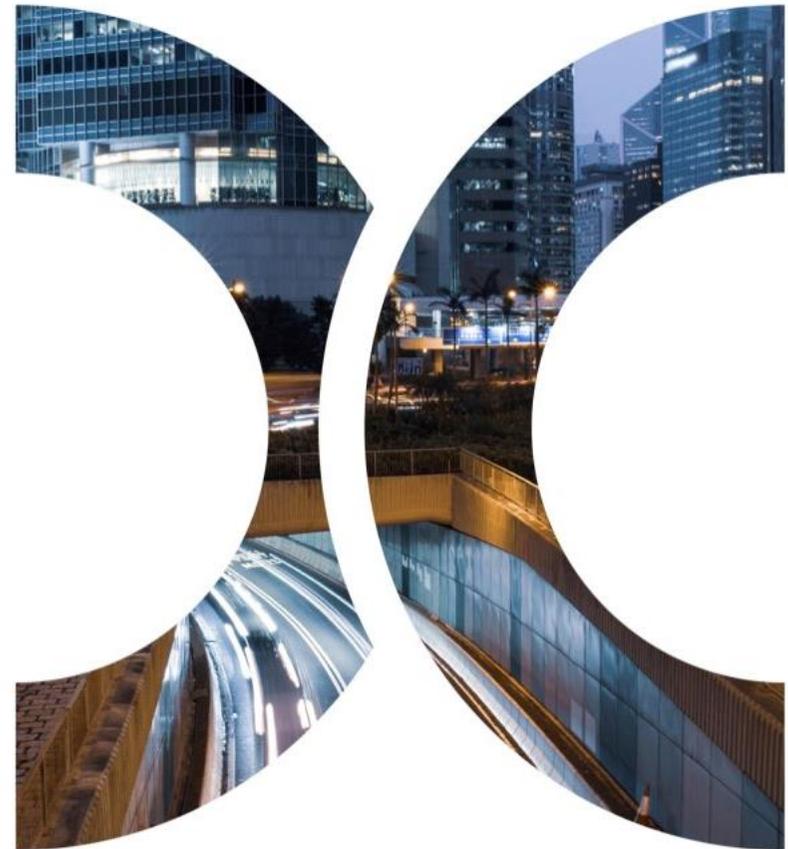
CPs should:

- rely on CCASS to receive HKSCC's notifications
- retrieve CCASS reports for their collateral requirement¹ and payment obligations for funding preparation accordingly



Note: 1. Collateral requirement includes marks, margin, Mainland Settlement Deposit and Mainland Security Deposit.

Practice Session – Important Information



Practice Session - Overview

Practice Session - Weekend Activities (Sat & Sun)

1



Normal daily operation

~ 13:30 – 21:30

2



Contingency Arrangement – VaR Platform failed to operate

~ 09:00 – 11:30

Post-Practice Session – Familiarisation Programme (Mon)

3



Familiarisation Programme

– full day of VaR Platform reports (for ONE day only)



Practice Session

1. CPs should ensure the readiness on technical and operational before commencing the Practice Session, including:

a) Domain Name System (DNS) setup

Ensure the server IP is set as follows:

- Preferred DNS: 10.243.1.1 (UDP Port 53); and
- Alternate DNS: 10.243.65.1 (UDP Port 53)

In case any CPs not using HKEX provided DNS services to access RAP and VaR Online, please arrange staff with experience to update the host table or change secondary IP addresses before and after the Practice Session. (refer to [Practice Session Information Package](#) for more details)

b) Requirement to access to CCASS

Smartcard will be required to login CCASS, CPs should ensure that those participating in such session(s) adopt appropriate measures and, to the extent possible, are able to access the relevant system to conduct the test

2. CPs should also note that during the Practice Session:

a) No Delegated Administrator (DA) support

There will NOT be support on password reset for CCASS DA or account unlock for VaR Online DA, , CPs should ensure successful login to RAP, VaR Online and CCASS.

b) User profiles of CPs

The user profiles of CPs are based on the latest production image prior to the Practice Session, i.e. 25 February 2022 (Fri).



Practice Session

1



Normal daily operation

~ 13:30 – 21:30



Applied start-of-day position data as of
1 December 2021 (Wednesday)

DateTimeStamp	CCASS	RAP
Folder Name / File Name	1 Dec 2021	26 Feb 2022
Business Date in Report	1 Dec 2021	1 Dec 2021
Close time	21:30 on 26 Feb 2022	23:59 on 26 Feb 2022

13:30 – 14:00
Arrange stock collateral to cover short positions to reduce risk obligations (if applicable)



Margin		15:30 Completion of intra-day marks process	17:00 Completion of 1 st end-of-day marks and margin estimation process	18:00 Completion of 2 nd end-of-day marks and margin estimation process	21:00 Completion of end-of-day marks and margin process
Default Fund	13:30 Completion of monthly/ ad hoc Default Fund review process				21:00 Completion of Default Fund add-on calculation process
Northbound (for CCCP only)	13:30 Completion of monthly MSCD process	15:45 Completion of Intra-day MSTD process	17:30 Completion of end-of-day MSTD estimation process	20:00 Completion of end-of-day MSTD process	



Practice Session (Cont'd)

2



Contingency Scenario

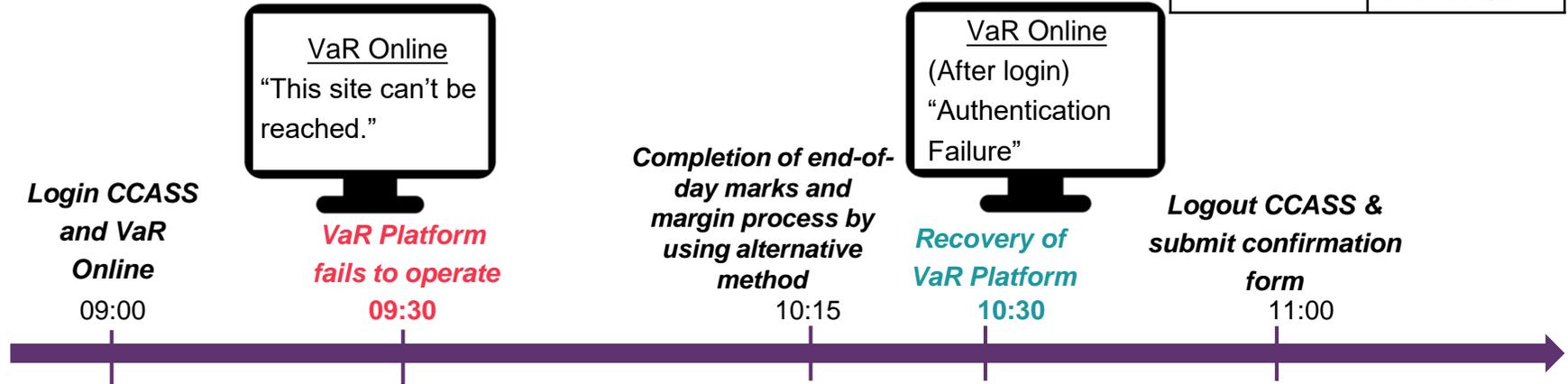
~ 09:00 – 11:30



Applied start-of-day position data as of **1 December 2021 (Wednesday)** and simulate VaR Platform failure at **19:30 system time**

DateTimeStamp	CCASS
Folder Name / File Name	1 Dec 2021
Report Date	1 Dec 2021
Close time	11:30 on 27 Feb 2022

Practice Session Time



CPs should pay attention to the CCASS broadcast message for the status of VaR Platform

CCASS broadcast message	Arrangement and availability of risk payment obligations reports after using alternative method	Recovery of the VaR Platform
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CPs should refer to CCASS Broadcast Message for contingency arrangement



Practice Session (Cont'd)



Production Verification Session : Connect to Primary Data Centre (*Optional*)

~ 14:00 – 15:00

For CPs who want to test the connectivity:

1. For RAP and VaR Online:

- Access RAP to verify connectivity → an error message “Connection Refused” will be prompted
- Access VaR Online to verify connectivity via <https://rmcd.hkexpotrade.com.hk> → an error message “Authentication Failure” will be displayed

2. For CCASS

- Logon to CCASS using the production Smartcard and password via <https://www.ccass.com>
- Once you logon to CCASS → “Function not available” will be displayed, the connectivity is completed
- Logout from CCASS



Post-Practice Session

3



Normal daily operation

Full day



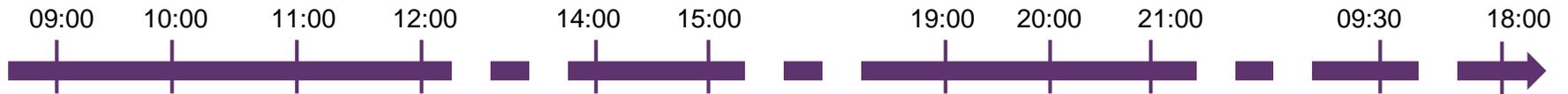
Applied start-of-day position data as of
28 February 2022 (Mon)

To facilitate CPs to verify their daily report retrieval process, a full set of VaR Platform reports, including intra-day reports will be generated and made available via RAP for ONE day on 28 February 2022 (Monday).

VaR Platform Processing Schedule



Production
Time



Margin

09:00
Start-of day

11:00-11:30
Intra-day marks
process

15:00-15:30
1st End-of-day
marks and margin
estimation process
16:45-17:15
2nd End-of-day
marks and margin
estimation process

20:30-21:00
End-of-day marks and
margin process

Default Fund

21:00
Completion of
Default Fund add-on
calculation process

Northbound (for CCCP only)

11:30-12:00
Intra-day MSTD
process

15:30-16:00
MSTD estimation
process

19:30-20:00
End-of-day MSTD
process

VaR Platform reports are provided for familiarisation purposes only, CCASS activities performed during the day in production will NOT be reflected



Practice Session – Reminder to CPs



Practice Session (Cont'd)

-Reminder to CPs



Before the start of the Practice Session, CPs should:

- Read the [VaR Platform Practice Session Information Package](#)
- ensure the participating staffs have access to necessary CCASS functions (e.g. enquiry/maintenance function)
- change the pre-defined 'Report Directory' for downloading CCASS & VaR Platform reports/data files
- ensure necessary setup for accessing to RAP, VaR Online and CCASS has been arranged and verified before the Practice Session (e.g. smartcard is required to login CCASS)
- *in case any CP not using HKEX provided Domain Name System (DNS) services to access RAP and VaR Online, please ensure the domain for RAP and VaR Online will be resolved to the secondary IP addresses in the host table*
( no change to IP address for CCASS in host table)

Practice Session (Cont'd)

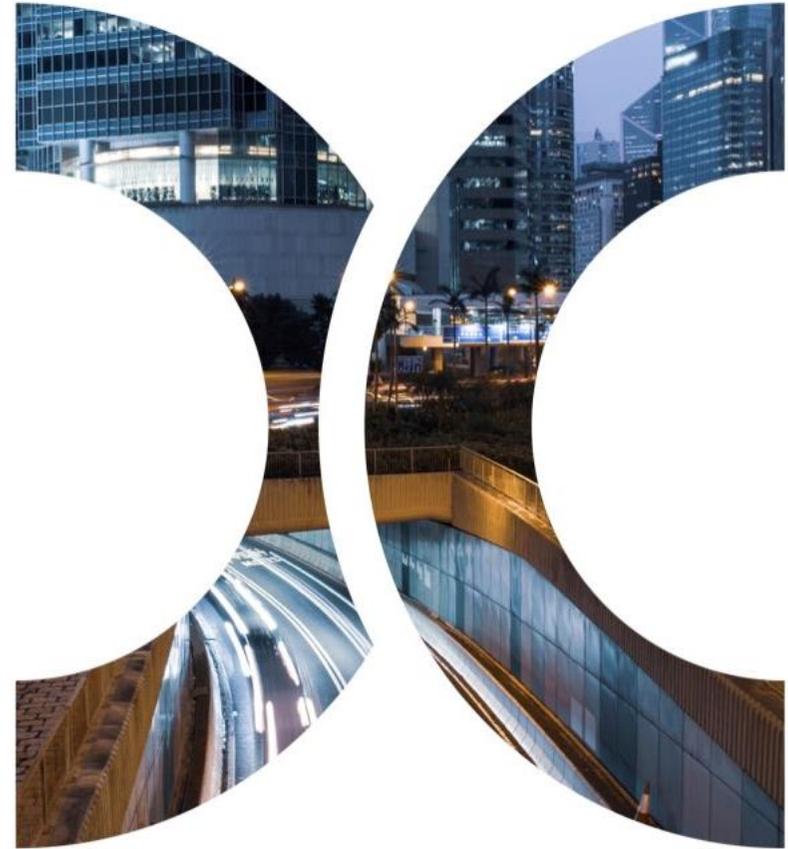
-Reminder to CPs



After the completion of Practice Session, CPs should:

- complete and return this Confirmation Form to the HKEX **before 11:30am on 27 February 2022 (Sunday)** by email from the designated participating user.
- remove ALL upload file(s) and downloaded report(s) retrieved during the Practice Session on 26 & 27 February 2022 from production server to avoid misusing them when production CCASS operates on the next business day.
- *in case any CP not using HKEX provided Domain Name System (DNS) services to access RAP and VaR Online, please re-connect to Primary Data Centre for RAP and VaR Online to continue familiarisation activities.*

Information to CPs



Information to CPs

INFORMATION

The VaR Platform Familiarisation Programme and related materials are available on the HKEX website, please visit the website regularly for the latest information:

- [*VaR Platform Webcorner*](#)
- [*VaR Platform Practice Session Information Package*](#)

The VaR Platform Practice Session can be registered via Event section in [Client Connect](#).

CONTACT

For VaR Platform related enquiries, please contact us via:

- Email: NG_PostTrade@hkex.com.hk
- VaR Platform Hotline: 2211 6828



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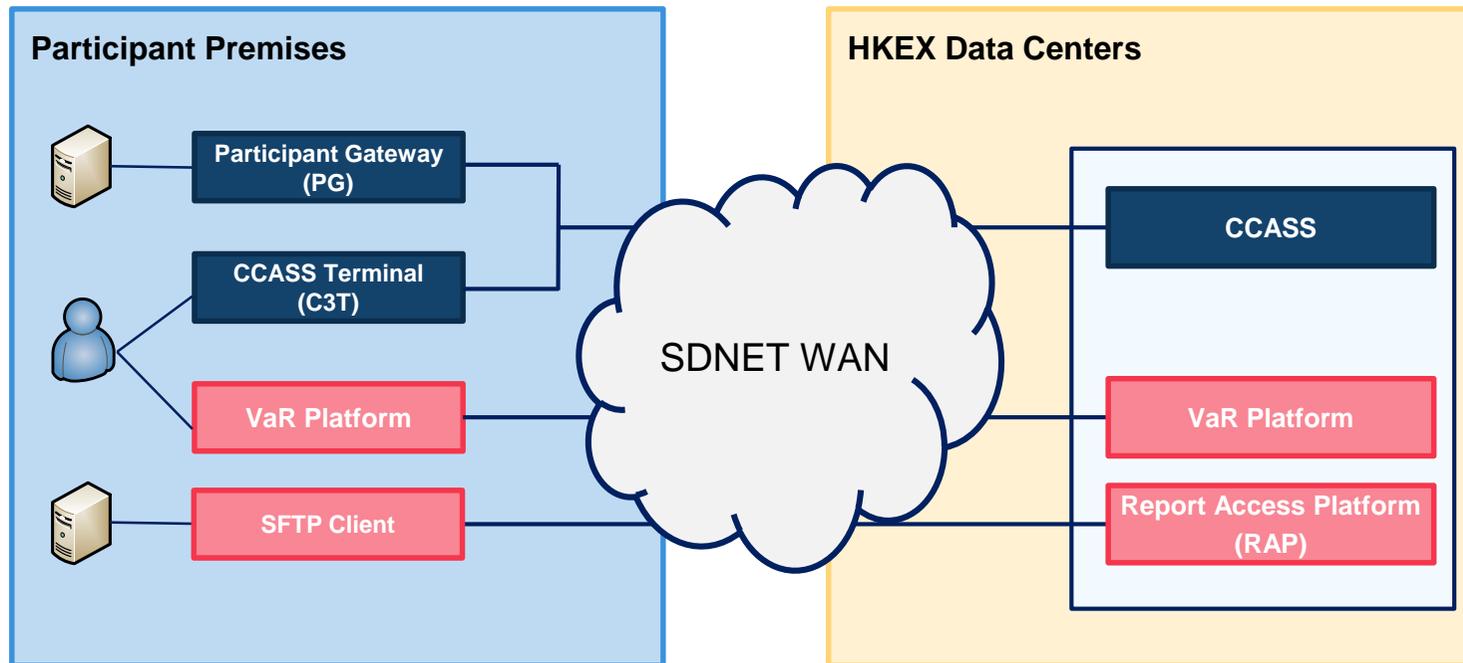


Appendix

- 01 | Infrastructure under VaR Platform
- 02 | Key Risk Model Enhancements
- 03 | Initial Margin (“IM”) Model
- 04 | Stress Testing for Default Fund (“DF”)
- 05 | Normal Business Day Operation Flow
- 06 | VaR Platform Reports



Appendix 01 | Infrastructure under VaR Platform

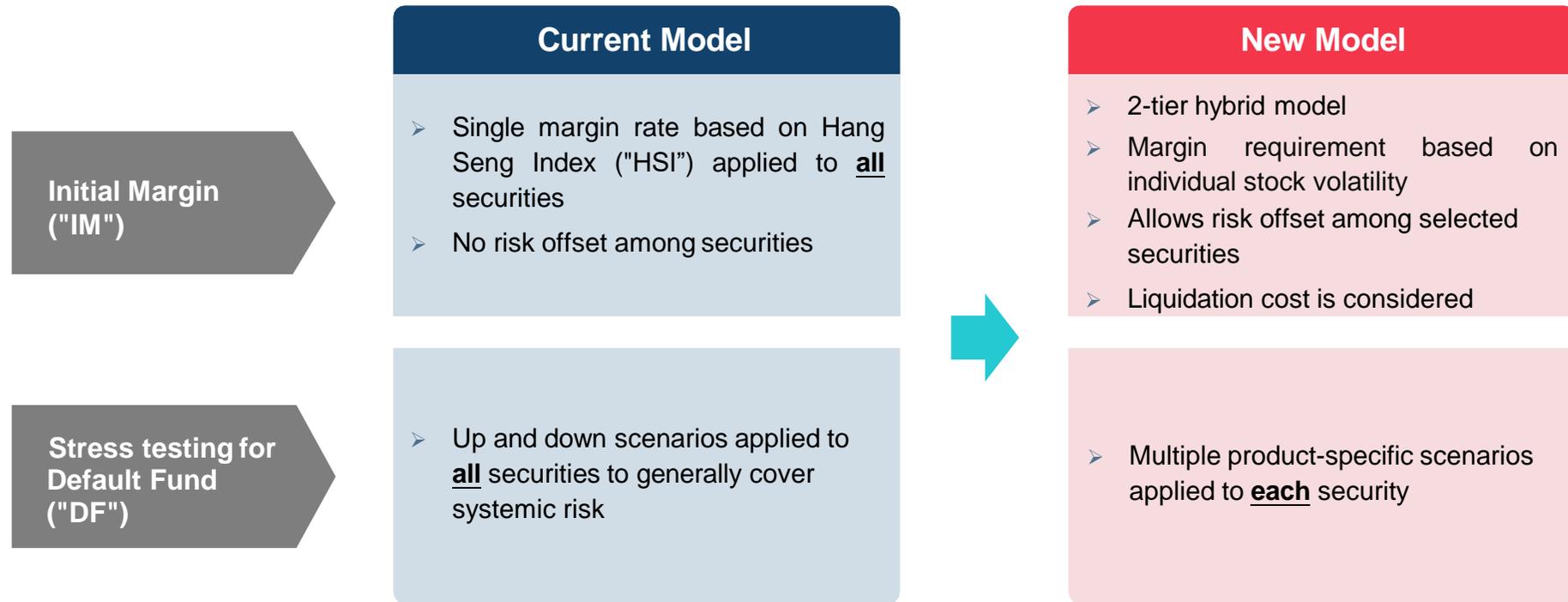


Existing Setup

VaR Platform Setup



Appendix 02 | Key Risk Model Enhancements



HKSCC adopts methodology-centric enhancements in the new model



Appendix 03 | Initial Margin Model

Portfolio margin requirement



	Tier P	Tier N
1 Constituents	<ul style="list-style-type: none"> ■ Hang Seng Composite Index (“HSCI”) LargeCap and MidCap constituent stocks and related DW / CBBC ■ All equity indices ETFs and related DW / CBBC 	<ul style="list-style-type: none"> ■ All non-Tier P instruments (e.g. GEM stocks, SmallCap / MicroCap stocks)
2 Methodology	<ul style="list-style-type: none"> ■ VaR-based Portfolio Margining, subject to minimum margin level 	<ul style="list-style-type: none"> ■ Flat rate margin, subject to margin multiplier (where appropriate)

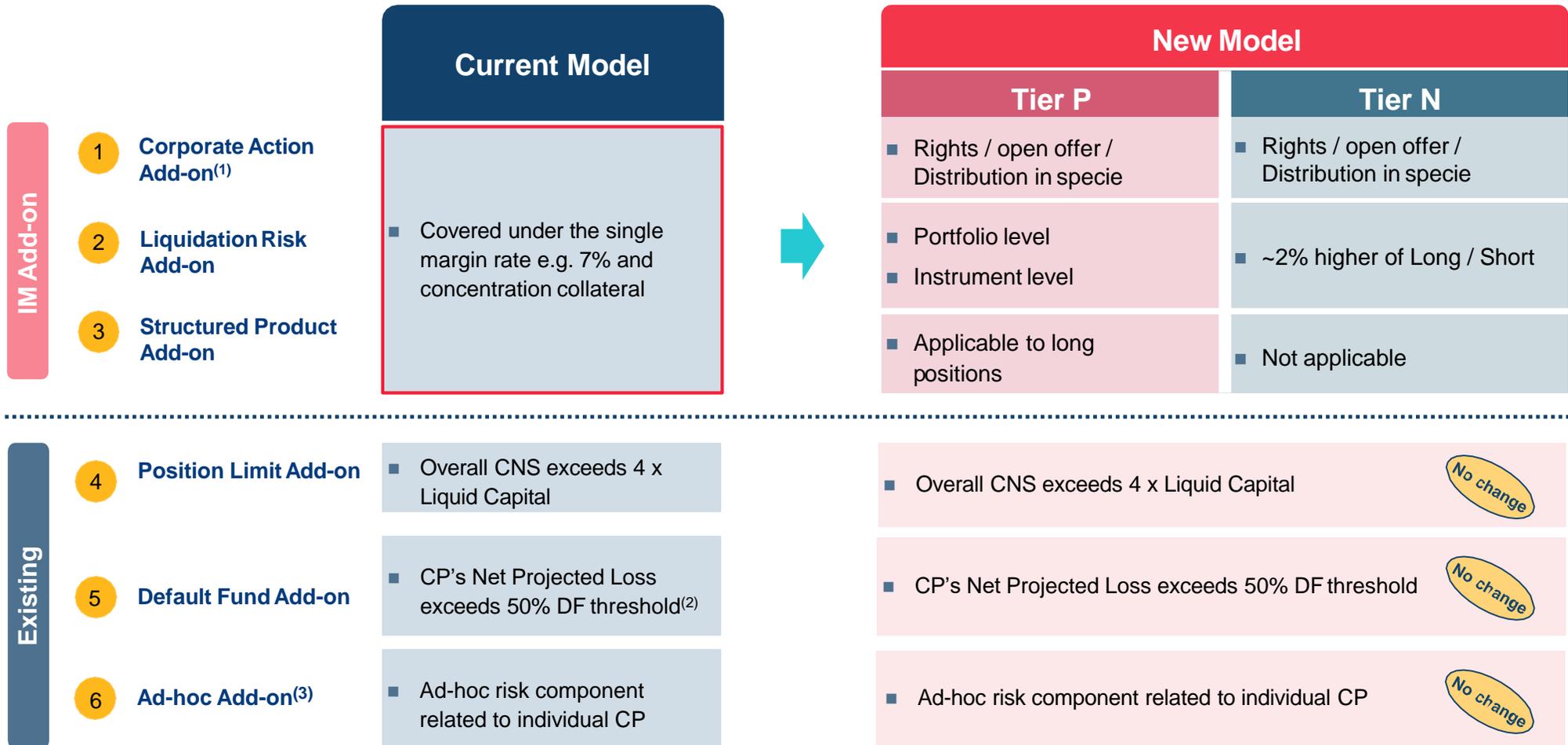
A hybrid approach consists of portfolio margining (Tier P) and flat rate (Tier N)

(1) Overall IM will round up to the nearest ten thousand dollars (e.g. 7,821,555 will be rounded up to 7,830,000).



Appendix 03 | Initial Margin Model (Cont'd)

Add-ons



(1) Also known as "Corporate Action Position Margin"

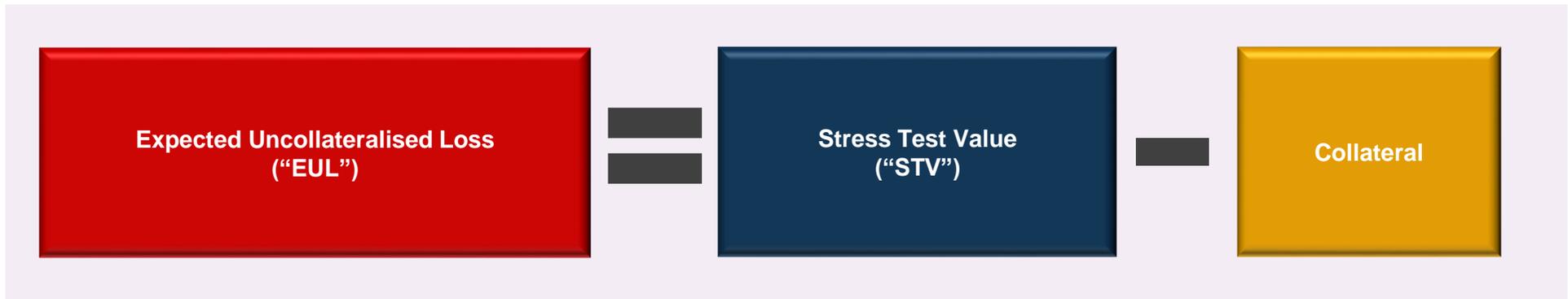
(2) DF Threshold is the maximum DF size(s) prescribed by the clearing house(s) with reference to the highest DF size in the past 10 years, subject to review from time to time.

(3) Also known as "Upfront Cash Collateral"



Appendix 04 | Stress Testing for Default Fund (“DF”)

DF sizing and allocation



	Current Model	New Model
1 EUL	<ul style="list-style-type: none"> 2 hypothetical systemic risk scenarios (proxy of HSI movement) applied to all securities <ul style="list-style-type: none"> ➤ Market up scenario ➤ Market down scenario 	<ul style="list-style-type: none"> > 200 product-specific scenarios applied to each security <ul style="list-style-type: none"> ➤ Historical, Hypothetical, Theoretical, Idiosyncratic
2 DF size	<ul style="list-style-type: none"> 1st + 5th largest CP exposure 60-day look-back period 	<ul style="list-style-type: none"> 1st + 5th largest CP exposure 60-day look-back period <p style="text-align: right;"><i>No change</i></p>
3 Pro-rata % of each CP for DF allocation	<ul style="list-style-type: none"> CNS position based 	<ul style="list-style-type: none"> Risk based i.e. stress test value net of its own collateral (EUL)

DF size is determined and allocated based on a more risk based approach in the new model



Appendix 04 | Stress Testing for Default Fund (“DF”) (Cont’d)

Operation-related arrangements

	Current Model		New Model
1 Review frequency	<ul style="list-style-type: none"> Monthly at start-of-month Ad-hoc 		<ul style="list-style-type: none"> Monthly at start-of-month Ad-hoc 
2 Collection	<ul style="list-style-type: none"> 1 business day after review 		<ul style="list-style-type: none"> 1 business day after review 
3 DF credit	<ul style="list-style-type: none"> HK\$1 million 		<ul style="list-style-type: none"> HK\$1 million 
4 Periodic DF projection / report ⁽¹⁾	<ul style="list-style-type: none"> ~12:00 noon during monthly DF review and ad-hoc DF review 		<ul style="list-style-type: none"> ~10:30 am during monthly DF review and ad-hoc DF review Flexibility to simulate Stress Test Value (“STV”) intra-day
5 DF report information	<ul style="list-style-type: none"> Available for DCP and GCP (with NCP projection) 		<ul style="list-style-type: none"> Available for DCP and GCP (with NCP projection) 

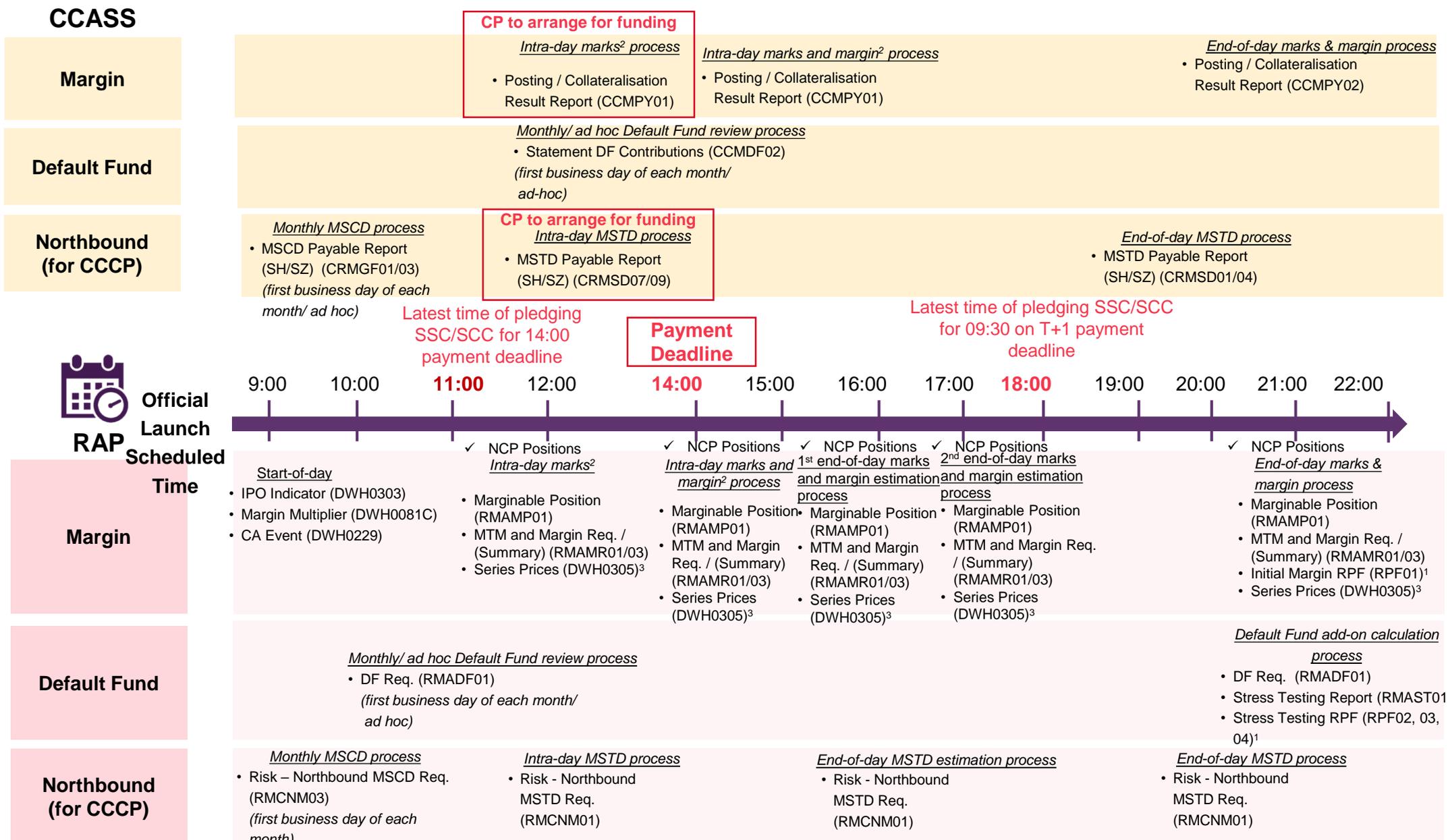
Most existing operational arrangements remain unchanged in the new model

(1) Report available time subject to system finalisation



Appendix 05 | Normal Day with Holiday Operational Arrangement

Below is the detail schedule of full day repots throughout the day in logical time:



Note: 1. Applicable to CPs who have subscribed for Risk Parameter Files (RPF) folder only
 2. Intra-day Margin will be called on the business day before weekday holidays which last for more than one day. It will be called at 11:00 when the business day is a CCASS non-settlement day while it will be called at 14:00 when it is a CCASS settlement day.
 3 Series Price Report (DWH0305) for intra-day and estimation will be generated ~15mins after the availability of margin reports, while for end-of-day will be generated overnight, CPs will be able to retrieve via RAP the next business day, as the operational hour of RAP is from 07:00 - 24:00 on each business day.



Appendix 06 | VaR Platform Reports

VaR Platform reports are available to retrieve via RAP, including:

Margin Reports:

RAP Folder	Report	Time Available upon Official Launch	Description
Inbox	Marginable Position Report (RMAMP01)	Each business day 1. ~11:30 (Intraday marks ¹ process) 2. ~14:30 (Intraday marks & margin ¹ process) 3. ~15:30 (1 st end-of-day marks and margin estimation process) 4. ~17:15 (2 nd end-of-day marks and margin estimation process) 5. ~21:00 (End-of-day marks and margin process)	Marginable positions incorporated in the corresponding margin calculation, and supplementary information at position level
Inbox	MTM and Margin Requirement Report (RMAMR01)		MTM and margin requirement together with the margin component details
Inbox	MTM and Margin Requirement Report (Summary Version) (RMAMR03)		A summary version of RMAMR01



Corresponding reports in CCASS
<p>[To be obsolete]</p> <ul style="list-style-type: none"> • Marks and Collateral Collection Report (CFIPM01) • Intra-day Marks and Collateral Collection Report (CRMIM01) • Margin Payable Report (CRMMG02) • Intra-day Margin Payable Report (CRMMG01) • Guarantee Fund Risk Collateral Requirement Report (GFR806) • Additional Cash Collateral Payable Report (CRMAC01) • NCP Marks Projection Report (intra-day) (CRMNP01) (for GCP only) • NCP Marks Projection Report (day-end) (CRMNP02) (for GCP only) • NCP Margin Projection Report (intra-day) (CRMNP03) (for GCP only) • NCP Margin Projection Report (day-end) (CRMNP04) (for GCP only) <p>[To be modified]</p> <ul style="list-style-type: none"> • Posting / Collateralisation result Report (intra-day) (CCMPY01) • Posting / Collateralisation result Report (day-end) (CCMPY02)

Note: 1. Intra-day Margin will be called on the business day before weekday holidays which last for more than one day. It will be called at 11:00 when the business day is a CCASS non-settlement day while it will be called at 14:00 when it is a CCASS settlement day.



Appendix 06 | VaR Platform Reports (Cont'd)

Additional VaR Platform reports are available to retrieve via RAP , including:

New Reports (additional information for margin requirement):

RAP Folder	Report	Time Available upon Official Launch	Description
Common	Corporate Action Event Report (DWH0229)	Each business day ~10:00	Corporate action events of Hong Kong market that may lead to marginable position adjustment
Common	Series Price Report (DWH0305)	Each business day 1. ~11:45 (Intraday mark ¹ process) 2. ~14:45 (Intraday marks & margin ¹ process) 3. ~15:45 (1 st end-of-day marks and margin estimation process) 4. ~17:30 (2 nd end-of-day marks and margin estimation process) 5. Overnight ² (End-of-day marks and margin process)	Instrument prices and exchange rates for Hong Kong market's margin calculation
Common	IPO Indicator (DWH0303)	Each business day ~09:00	IPO stocks that are newly listed that will impact the margin calculation
Inbox	Daily Participant Margin Multiplier Report (DWH0081C)	Each business day ~09:00	Current and to-be effective multiplier
RPF ³	Initial Margin Risk Parameter File (RPF01)	Each business day ~21:00	Contains key risk parameters required for calculation of MTM and margin requirement for Hong Kong market

Noted: 1. Intra-day Margin will be called on the business day before weekday holidays which last for more than one day. It will be called at 11:00 when the business day is a CCASS non-settlement day while it will be called at 14:00 when it is a CCASS settlement day.

2. End-of-day Series Price Report (DWH0305) will be generated overnight, CPs will be able to retrieve via RAP the next business day, as the operational hour of RAP is from 07:00 - 24:00 on each business day.

3. Only applicable for CPs who have subscribed for RPF folder. Due to the file size of the RPF, CPs should assess and evaluate the need to upgrade their existing SDNet before subscribing for the new RPF folder. Please refer to section 7 of the [RAP Technical Guide](#) for details.



Appendix 06 | VaR Platform Reports (Cont'd)

Default Fund Reports:

RAP Folder	Report	Time Available upon Official Launch	Description
Inbox	Risk – Stress Testing Report (RMAST01)	Each business day ~21:00	STV calculated based on the returns of stress scenarios defined by HKEX for Hong Kong market
Inbox	Default Fund Requirement Report (RMADF01)	On the first business day of each month ~10:30 (Monthly DF review/ ad hoc) Each business day ~21:00 (Default Fund add-on calculation process)	Monthly or ad hoc default fund requirement
RPF ¹	Stress Testing Risk Parameter Files (RPF02, RPF03, RPF04)	Each business day ~21:00	Contains key risk parameters for calculation of STV for Hong Kong market

Corresponding reports in CCASS
N/A
<p><i>[New report – available after official launch]</i></p> <ul style="list-style-type: none"> Statement of Default Fund Contributions (CCMDF02) <p><i>[To be obsolete]</i></p> <ul style="list-style-type: none"> Statement of Guarantee Fund Contributions (GFR608) Guarantee Fund Risk Collateral Requirement Report (GFR806) NCP(s) Guarantee Fund Contribution Projection By Position (GFR616) (for GCP only)
N/A



Noted: 1. Only applicable for CPs who have subscribed for RPF folder. Due to the file size of the RPF, CPs should assess and evaluate the need to upgrade their existing SDNet before subscribing for the new RPF folder. Please refer to section 7 of the [RAP Technical Guide](#) for details.

Appendix 06 | VaR Platform Reports (Cont'd)

Northbound Reports: *(Only applicable to the China Connect Clearing Participants (CCCP))*

RAP Folder	Report	Time Available upon Official Launch	Description	Corresponding reports in CCASS
Inbox	Risk – Northbound MSTD Requirement Report (RMCNM01)	<p>Each business day</p> <ol style="list-style-type: none"> ~12:00 (Intra-day MSTD process) ~16:00 (End-of-day MSTD estimation process) ~20:00 (End-of-day MSTD process) 	MSTD requirement of CCCP for Northbound China Connect markets	<p><i>[To be modified]</i></p> <ul style="list-style-type: none"> Mainland Settlement Deposit Payable Report (Shanghai) (CRMSD01) Mainland Settlement Deposit Payable Report (Shenzhen) (CRMSD04) Intra-day Mainland Settlement Deposit Payable Report (Shanghai) (CRMSD07) Intra-day Mainland Settlement Deposit Payable Report (Shenzhen) (CRMSD09)
Inbox	Risk – Northbound MSCD Requirement Report (RMCNM03)	~09:30 on the first business day of each month	MSCD requirement of CCCP for Northbound China Connect markets	<p><i>[To be modified]</i></p> <ul style="list-style-type: none"> Mainland Security Deposit Payable Report (Shanghai) (CRMGF01) Mainland Security Deposit Payable Report (Shenzhen) (CRMGF03)



CPs can make reference to the Comparison Guidelines, Calculation Guides and Report Specifications available in [HKEX website](#) for more details.

