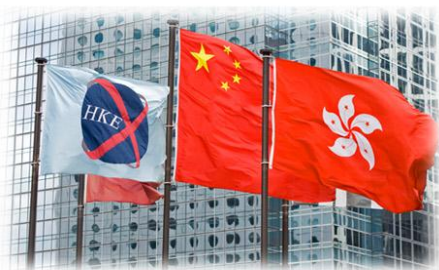




HKEx Commodities Strategy

Romnesh Lamba, Co-Head of Global Markets
November 2014



Creating a Holistic Value Proposition for Hong Kong to Ride on China's Opening Up



- Confluence of onshore and offshore investors trading the same markets
- Accumulation of RMB assets outside China

- Policy-driven liberalisation of onshore FX and rates
- Use of RMB as funding and investment currency globally

- China's unmet commodity risk management needs
- Growing global relevance of China's commodity benchmarks

Why Build a Hong Kong Commodities Platform?



Strategic Rationale

China Product Focus

RMB Internationalisation

Open China Window

Capitalise on China's Preference to Collaborate with HKEx

Internationalise Chinese Benchmarks

Business Rationale

HKEx's Multi-asset Connectivity

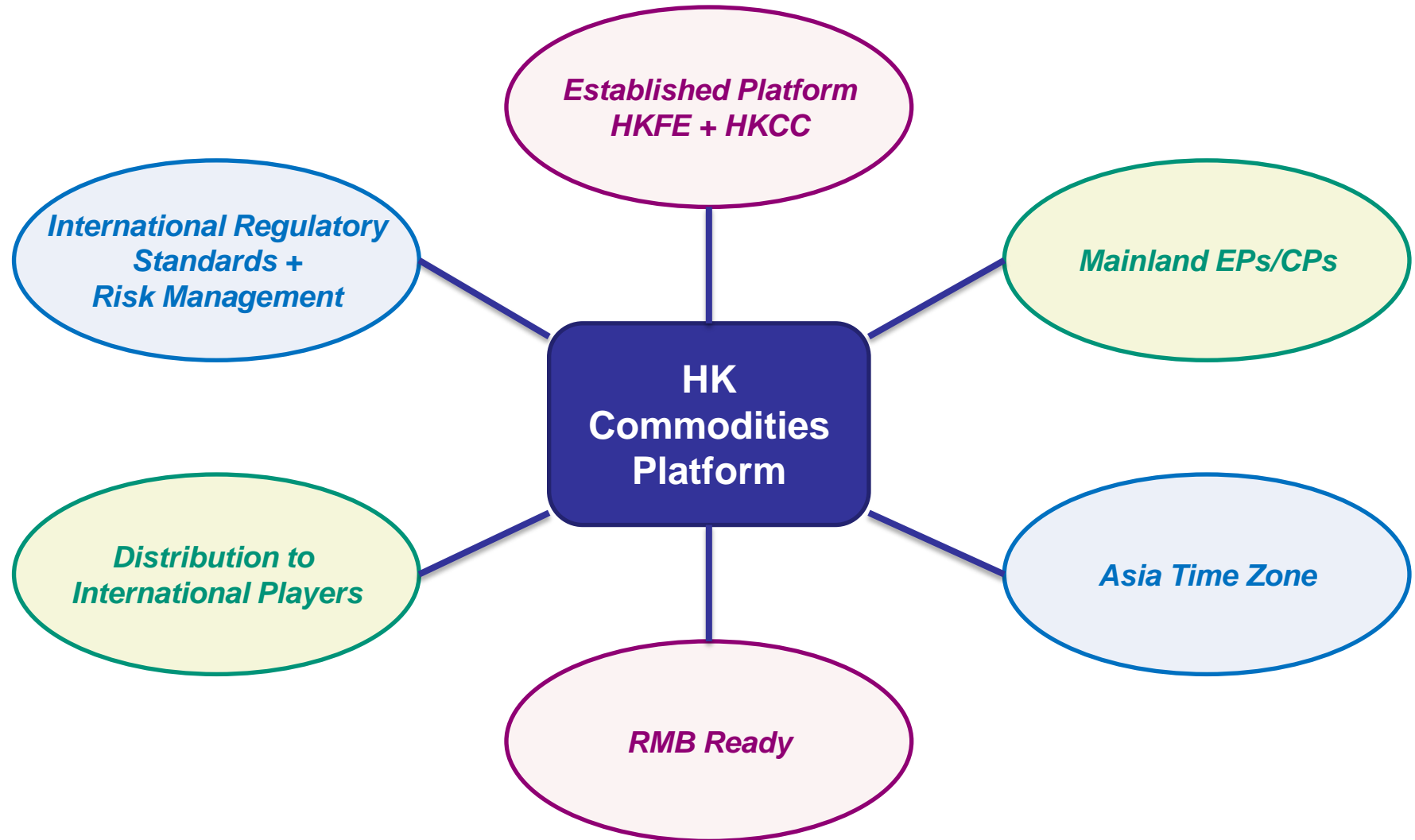
Generate Capital Efficiency for Trading Counterparties

Maximise LME Franchise

Leverage on Concentration of Mainland Financial Institutions

Easier Access to Chinese Markets

HKEx's Strategy in Commodities



HKFE's 35 Mainland-background EPs to help reach investors in Mainland

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