

香港聯合交易所有限公司

(香港交易及結算所有限公司全資附屬公司)

THE STOCK EXCHANGE OF HONG KONG LIMITED

(A wholly-owned subsidiary of Hong Kong Exchanges and Clearing Limited)

## 通告 CIRCULAR

Subject: Excess Position Limit Application for Exchange Traded Fund (“ETF”) Market Makers

Enquiry: HKATS Hotline 2211-6360

With the enhancements to the position limit regime became effective on 1 June 2017, under section 4A of the Securities and Futures (Contracts Limits and Reportable Positions) Rules, the Stock Exchange of Hong Kong (“SEHK”) or the Hong Kong Futures Exchange (“HKFE”) could authorize Exchange Traded Fund (“ETF”) Market Makers to hold or control futures or stock options contracts in excess of the prescribed limit for the purposes of hedging the risks arising from performing market making or liquidity providing activities.

ETF Market Makers of ETFs tracking the Hang Seng Index (“HSI”) and Hang Seng China Enterprises Index (“HHI”) may apply for excess position limit of SEHK or HKFE products with corresponding underlying. For example, ETF Market Makers of ETFs tracking the HSI may apply for excess position limit of HSI futures and options, mini HSI futures and options, and stock options of the corresponding underlying ETFs, if any. Meanwhile, ETF Market Makers of ETFs tracking the HHI may apply for excess position limit of HHI futures and options, mini HHI futures and options, and stock options of the corresponding underlying ETFs, if any.

To better facilitate the application process of excess position limit application for ETF Market Makers, Exchange Participants are advised that an application form and reporting form are made available at [http://www.hkex.com.hk/eng/market/dv\\_tradfinfo/lop.htm](http://www.hkex.com.hk/eng/market/dv_tradfinfo/lop.htm). For ETF Market Makers who wish to apply for excess position limit, please submit the application to Derivatives Trading of Hong Kong Exchanges and Clearing Limited at 6/F, Two Exchange Square, 8 Connaught Place, Central, Hong Kong or [clicksupport@hkex.com.hk](mailto:clicksupport@hkex.com.hk).

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*This circular has been issued in the English language with a separate Chinese language translation. If there is any conflict in the circulars between the meaning of Chinese words or terms in the Chinese language version and English words in the English language version, the meaning of the English words shall prevail.*