

Examples on Determining the Price Limit for HSI futures in AHFT Session

Scenarios:

- A) Assume the last traded prices are available in each contract months of HSI futures in the Day Session (i.e. 21 Feb 2014), the last traded prices will be used as the reference prices:

Contract Month	Last Traded Price	Price limit in AHFT (+/-5% of the Reference Price)
Feb 2014	22,581	21,452 – 23,710
Mar 2014	22,501	21,376 – 23,626
Jun 2014	22,084	20,980 – 23,188
Sep 2014	21,935	20,839 – 23,031

- B) Assume the last traded price is only available in the spot month (i.e. 22,581 in Feb 2014 contract) and the last traded prices of other back months are not available (i.e. 21 Feb 2014). The spot month's last traded price plus previous day's rollover spread for the contract in question relative to the spot month will be applied.

The rollover spread for back months will be determined on the basis of the difference between the back month daily settlement prices and the spot month daily settlement price on 20 Feb 2014 as follows:

Contract Month	Daily Settlement Price on 20 Feb 2014	Rollover spread to spot month
Feb 2014	22,374	N/A
Mar 2014	22,291	-83
Jun 2014	21,869	-505
Sep 2014	21,730	-644

Determination of AHFT price limit on 21 Feb 2014:

Contract Month	Reference Price	Price limit in AHFT on 21 Feb 2014	Remark
Feb 2014	22,581 (last traded price)	21,452 – 23,710	+/-5% of 22,581
Mar 2014	22,498 (i.e. 22,581 – 83)	21,374 – 23,622	+/-5% of 22,498
Jun 2014	22,076 (i.e. 22,581 – 505)	20,973 – 23,179	+/-5% of 22,076
Sep 2014	21,937 (i.e. 22,581 – 644)	20,841 – 23,033	+/-5% of 21,937

- C) Assume the last traded price is not available for a back month on the **last trading day** (i.e. 29 Jan 2014). The spot-next month's last traded price plus previous day's rollover spread for the contract month in question relative to the spot-next month will be applied.

The rollover spread for back months will be determined on the basis of the difference between the previous day's daily settlement prices of contract months in question and the spot-next month daily settlement price on 28 Jan 2014 as follows:

Contract Month	Daily Settlement Price on 28 Jan 2014	Rollover spread to spot month on 28 Jan 2014	Rollover spread to spot-next month on 28 Jan 2014
Jan 2014 (spot)	22,009	N/A	N/A
Feb 2014 (spot-next)	21,989	-20	N/A
Mar 2014	21,910	-99	-79
Jun 2014	21,499	-510	-490

Determination of AHFT price limit on 29 Jan 2014 (Last Trading Day) and assume no last traded prices are available in Mar 2014 and Jun 2014 contracts:

Contract Month	Reference Price	Price limit in AHFT on 29 Jan 2014	Remark
Jan 2014	N/A	N/A	Expired
Feb 2014	22,182 (last traded price)	21,073 – 23,291	+/-5% of 22,182
Mar 2014	22,103 (i.e. 22,182 – 79)	20,998 – 23,208	+/-5% of 22,103
Jun 2014	21,692 (i.e. 22,182 – 490)	20,608 – 22,776	+/-5% of 21,692

- D) Assume the last traded price is not available for a back month on the **first trading day** after spot month expiration (i.e. 30 Jan 2014)

- The rollover spread for the contract month in question relative to the spot-next month will be applied and it will be the difference between the previous day's daily settlement prices of contract month in question and the spot-next month daily settlement price; or
- If the previous daily settlement price is also not available for a back month, i.e. a new contract month, the rollover spread will be the difference between the reference price of the contract month in question in the risk parameter file and the spot-next month daily settlement price

The rollover spread for back months will be determined by using the daily

settlement prices or the reference price in the parameter file on 29 Jan 2014 as follows:

Contract Month	Daily Settlement Price on 29 Jan 2014	Roll over spread to spot month on 29 Jan 2014	Roll over spread to spot-next month on 29 Jan 2014
Jan 2014 (spot) - Expiry contract	22,182	N/A	N/A
Feb 2014 (spot-next)	22,103	-79	N/A
Mar 2014	22,034	-148	-69
Jun 2014	21,624	-558	-479
Sep 2014 (New contract)	21,555*	-672	-548

* Reference price of the Sep contract month in the risk parameter file

Determination of AHFT price limit on 30 Jan 2014 and assume no last traded prices are available for all back months contracts:

Contract Month	Reference Price	Price limit in AHFT on 30 Jan 2014	Remark
Feb 2014	22,009 (last traded price)	20,909 – 23,109	+/-5% of 22,009
Mar 2014	21,940 (i.e. 22,009 – 69)	20,843 – 23,037	+/-5% of 21,940
Jun 2014	21,530 (i.e. 22,009 – 479)	20,454 – 22,606	+/-5% of 21,530
Sep 2014	21,461 (i.e. 22,009 – 548)	20,388 – 22,534	+/-5% of 21,461