HKEX
香港交易所

香港交易所資訊服務有限公司
(香港交易及結算所有限公司集團全資附屬公司)

HKEX INFORMATION SERVICES LIMITED
(A wholly-owned subsidiary of Hong Kong Exchanges and Clearing Limited)

24 February 2023   **By Email**
Our Ref: MDD/23/102

To: **Derivatives Market Data Vendors, End Users and Application Service Providers (ASPs) (Collectively "Clients")**

Copy: **Indirect Connection Derivatives Market Data Vendors and End Users; and Derivatives Market Independent Software Vendors (ISVs)**

Increase the Minimum Bandwidth Requirement for HKEX Orion Market Data Platform – Derivatives Market (OMD-D) Derivatives Premium (DP) and FullTick (DF) Datafeeds

As a service commitment, we strike our every effort to preserve our service quality. To align with the product positioning for Premium and FullTick datafeeds that aim to provide low latency streaming real-time market data, we intend to increase the minimum bandwidth requirement when there is a pressing trend of increasing data volume that may potentially affect the latency performance of the datafeed. This strategy is different from the compression approach for conflated datafeed, the use case of which assumed less latency sensitive, but more cost cautious on bandwidth consumption.

In light of this, the minimum bandwidth requirement of DP and DF datafeeds will be adjusted as per the table below **tentatively by end Jun 2023**, in order to support the continuing growth of transaction activities in Derivatives Market:

OMD-D Datafeed	Current Bandwidth (Mbps)			New Required Bandwidth (Mbps)		
	Multicast	Unicast	Total	Multicast	Unicast	Total
Derivatives Premium (DP) - Non-SOM	25	1	26	30	1 (no change)	31
Derivatives Premium (DP) - SOM	33	1	34	48	1 (no change)	49
Derivatives FullTick (DF) - Non-SOM	44	1	45	49	1 (no change)	50
Derivatives FullTick (DF) - SOM	34	1	35	49	1 (no change)	50

Note: The bandwidth requirements of Derivatives Standard (DS) and Derivatives Lite (D-Lite) remain unchanged.

The updated OMD-D Connectivity Guide (version 1.18) with the new bandwidth requirement is enclosed herewith for your reference. **All DP and/or DF Direct Connection Clients** are required to review the subscribed bandwidth and the allocation between multicast and unicast of their existing SDNet/2 and/or Hosting Services Network (HSN) circuit set(s) for accessing the datafeed(s). **If the change of network bandwidth or reconfiguration is required, Clients should schedule with their network carrier to complete the upgrade or reconfiguration on or before 21 May 2023**.

System Capacity Review and Testing Facilities

As the increase of bandwidth may result in a lower latency and a higher data throughput, **DP and/or DF Direct Connection Clients** should also review the capacity of their systems, downstream applications and networks to handle the increased data throughput and make the necessary adjustment, if required. In addition, Clients using OMD-D applications provided by ISVs should consult with their ISVs on the system capacity and liaise with them for the system upgrade, if necessary.

A set of canned data and a Market Rehearsal with volume test will be arranged for Clients to verify their systems have sufficient capacity to handle the increased data volume and declare their readiness. As Clients connecting to OMD-D DP and/or DF by HSN or already have sufficient network bandwidth will also experience the higher throughput, **the Market Rehearsal will be mandatory to all DP and/or DF Direct Connection Clients**.

Implementation Schedule

Activity	Schedule	Details
Provision of Offline Simulation Tool and Canned Data	Mid-March 2023	A set of canned data will be provided to Clients and ISVs to test their systems with increased data throughput by using the offline simulation tool. The data set will be distributed to Clients and ISVs who have completed the Online Request Form **by 10 March 2023.**
Submission of OMD Connection Notification Form (Production)	On or before 31 March 2023	Direct Connection Client, who is planning / required to upgrade the bandwidth of their OMD-D connections, should inform HKEX of their network change arrangement by submitting the OMD Connection Notification Form (Production) to HKEX. Client should also directly contact the network carrier for the network change **(i.e. arrange bandwidth upgrade / reconfiguration of bandwidth allocation between multicast and unicast order to the network carrier).**

Submission of Impact Assessment and Readiness Declaration	On or before 19 May 2023	**Mandatory to all DP and/or DF Direct Connection Clients** Clients should submit the [online Impact Assessment and Readiness Declaration Form](#) on or before 19 May 2023.
Upgrade / Reconfigure the Bandwidth of OMD-D Production Connections	On or before 21 May 2023	**DP and/or DF Direct Connection Client** should make sure the bandwidth of their OMD-D production connections are sufficient for the new bandwidth requirement before joining the Market Rehearsal.
Market Rehearsal with Volume Test	Early June 2023	**Mandatory to all DP and/or DF Direct Connection Clients (including clients using HSN to test the increased throughput)** DS and D-Lite Direct Connection Clients are not required to join the MR The Online Test Participation Form will be provided in mid May 2023.
Effective of New Bandwidth Requirement	Late June 2023	The rollout date will be announced upon the successful completion of the Market Rehearsal.

Indirect Connection Clients are advised to work closely with their feed providing vendor or ASP to identify if there are needs for system or network upgrade to cater for the bandwidth upgrade and ensure their readiness before the increased bandwidths takes effect.

Should you have any queries, please contact us at (852) 2211 6558 or send your questions to IVSupport@hkex.com.hk.

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Enclosure: OMD-D Connectivity Guide version 1.18