HKEX
香港交易所

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香港期貨交易所有限公司
(香港交易及結算所有限公司全資附屬公司)
HONG KONG FUTURES EXCHANGE LIMITED
(A wholly-owned subsidiary of Hong Kong Exchanges and Clearing Limited)

通告 CIRCULAR

Subject: Suspension of the Trading of 5-year China Ministry of Finance Treasury Bond Futures Post-December 2017 Contract

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Please be notified that the Hong Kong Futures Exchange Limited ("HKFE" or "the Exchange") has decided to suspend the trading of the 5-year China Ministry of Finance Treasury Bond ("MOF T-Bond") Futures contracts after the expiry of the December 2017 contract.

The MOF T-Bond Futures contracts were introduced on 10 April 2017 under a pilot scheme as the offshore market's first futures on domestic Chinese government bonds. In light of the official launch of Bond Connect on 3 July 2017, HKEX is preparing comprehensive risk management tools that are complementary to Bond Connect. Given that clearer regulatory requirements and cooperation between Hong Kong and the Mainland are needed to support the further development of offshore derivatives on Mainland-based underlying in Hong Kong, HKFE has decided to suspend the pilot MOF T-Bond Futures scheme after the expiry of the December 2017 contract. Subject to regulatory development and approval, HKEX will consider launching new RMB interest rate products at an appropriate time in 2018.

For the avoidance of doubt, the trading, clearing and settlement of the existing contract months (i.e. September 2017 and December 2017 contracts) of MOF T-Bond Futures contracts are not affected. The Clearing House of HKFE will determine the final settlement price of the existing contract months on the last trading day pursuant to the Rules, Regulations and Procedures of the HKFE. And the final settlement price will be announced via a circular by HKFE.

Exchange Participants are requested to inform their clients of the Exchange's decision and the corresponding arrangements mentioned above.

Julien Martin
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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.