



香港交易所

香港交易所資訊服務(中國)有限公司

(香港交易及結算所有限公司全資附屬公司)

HKEX INFORMATION SERVICES (CHINA) LIMITED

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

17 December 2024

Our Ref: MDD/24/720_C

By Email

To: Direct Connection Securities Market Data Vendors, End Users, Application Service Providers (Collectively “Clients”); Independent Software Vendors (ISVs)

Copy: Indirect Connection Securities Market Data Vendors and End Users

Consultation Conclusion on Proposed Reduction of Minimum Spreads in Hong Kong Securities Market

With reference to our client notice issued on 28 June 2024 (Our Ref: [MDD/24/413_C](#)) and the enclosed Exchange Circular (Ref: [CT/183/24](#)), Hong Kong Exchanges and Clearing Limited (“HKEX”) published a consultation conclusions on the proposed reduction of minimum spreads in the Hong Kong securities market (“[Conclusions Paper](#)”) today. This is part of HKEX’s ongoing efforts to continually review and enhance market microstructure. We would like to express our appreciation to all market participants who have shared their views and comments during the consultation process.

With the majority of market support to the consultation proposals stated in the [Consultation Paper](#), HKEX will implement phase 1 of minimum spreads reduction around mid-2025, subject to market readiness, regulatory approvals and other inter-dependent rollouts. Phase 2 will be implemented tentatively around mid-2026, if no undesirable result is observed over the six month review following the rollout of phase 1.

The phase 1 implementation will cover:

Scope:

Equities, Real Estate Investment Trusts (“REITs”) and all other Applicable Securities excluding Exchange Traded Products (“ETPs”), debt securities, Exchange Traded Options (“ETOs”) and Structured Products.

Magnitude:

- the minimum spreads of the price band between \$10 and \$20 will be reduced by 50% (from \$0.02 to \$0.01)
- the minimum spreads of the price band between \$20 and \$50 will be reduced by 60% (from \$0.05 to \$0.02)

For more details of the changes, please refer to the enclosed Exchange Circular.

Briefing Webinars

To facilitate Clients and ISVs to have a better understanding on the changes set out in the Conclusion Paper (see summary in Appendix II of the [Conclusions Paper](#)), two **optional** briefing sessions will be arranged to provide an overview of the implementation plan for minimum spreads reduction as follows:

Date	Mode of Briefing	Time	Language	Registration Deadline
13 January 2025 (Monday)	Webinar video conferencing	17:00 – 17:30	Cantonese	8 January 2025 (Wednesday)
14 January 2025 (Tuesday)			English	

Clients and ISVs, who would like to participate in the briefing session, should nominate no more than 2 representatives and submit the [Online Registration Form](#) by 8 January 2025 (Wednesday). The webinar login information will be sent to the successful registrants at least 1 day prior to the webinar. A playback of the webinar will be available on the designated web corner for market users' review later.

Web Corner

Please visit a [web corner](#) on the HKEX website for more information and reference materials about the implementation of Reduction of Minimum Spreads.

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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Markets Division

Enclosure: Exchange Circular (English)