

June 2019

KEY PRODUCT SPECIFICATIONS

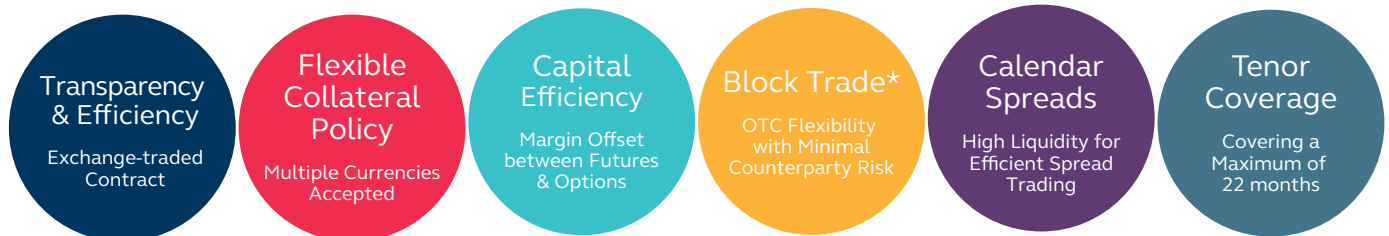
Futures		Options									
HKATS Code:	CUS										
Contract Size:	USD100,000										
Price Quotation:	RMB per USD (e.g. 6.8418)										
Min. Fluctuation:	RMB0.0001 (Tick Value:RMB10)										
Final Settlement Day:	The 3rd Wednesday of the Contract Month										
Last Trading Day / Expiry Day:	Two Hong Kong business days prior to the Final Settlement Day										
Final Settlement Price / Official Settlement Price:	USD/CNH (HK) Spot Rate published by Hong Kong Treasury Markets Association (TMA) [^] at or around 11:30am on the Last Trading Day / Expiry Day										
Block Trade Min. Volume Threshold:	50 contracts										
Contract Months:	Spot month, the next 3 calendar months, the next 6 calendar quarter months	Spot month, the next 3 calendar months and the next 4 calendar quarter months									
Trading Hours:	8:30am –4:30pm (no lunch break) & 5:15pm –3:00am (next day) (T+1 session) (Expiring contract month closes at 11:00am on the Last Trading Day)	9:00am –4:30pm (no lunch break) (Expiring contract month closes at 11:00am on the Expiry Day)									
Exercise Style:	–	European style									
Strike Prices:	–	Strike intervals shall be set at intervals of 0.05 ±10% from the at-the-money Strike Price									
Settlement Method / Settlement on Exercise:	Physical delivery. Delivery of US dollars by the Seller and payment of the Final Settlement Value in RMB by the Buyer	Physical delivery on Exercise <table border="1" style="margin-top: 10px;"> <thead> <tr> <th></th> <th>Holder</th> <th>Writer</th> </tr> </thead> <tbody> <tr> <td>Call Options</td> <td>Payment of the Final Settlement Value* in RMB</td> <td>Delivery of US dollars</td> </tr> <tr> <td>Put Options</td> <td>Delivery of US dollars</td> <td>Payment of the Final Settlement Value in RMB</td> </tr> </tbody> </table>		Holder	Writer	Call Options	Payment of the Final Settlement Value* in RMB	Delivery of US dollars	Put Options	Delivery of US dollars	Payment of the Final Settlement Value in RMB
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Put Options	Delivery of US dollars	Payment of the Final Settlement Value in RMB

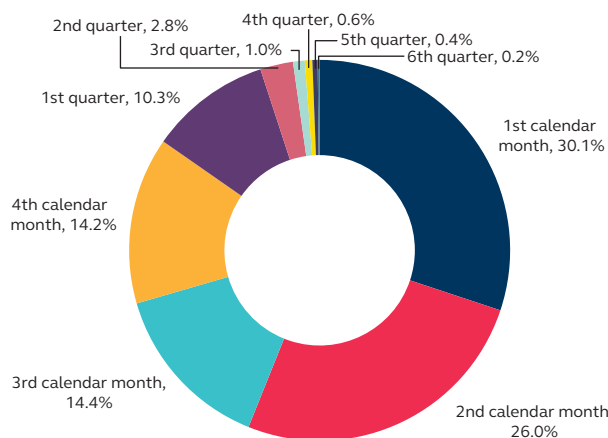
*Final Settlement Value is the Strike Price multiplied by the Contract Size; applies to both Call and Put Options

[^] For further details, please refer to the TMA website (www.tma.org.hk/en_market_info.aspx).

TRADING BENEFITS¹

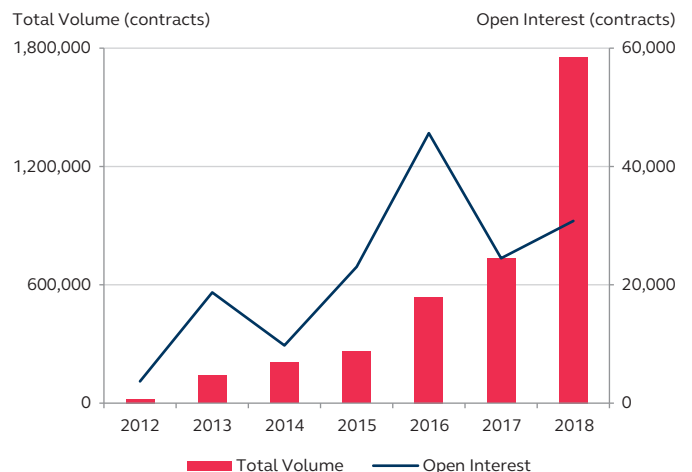


Volume Distribution by Contract Month



Data Period: Oct 2018 – Dec 2018

Volume and Open Interest Growth

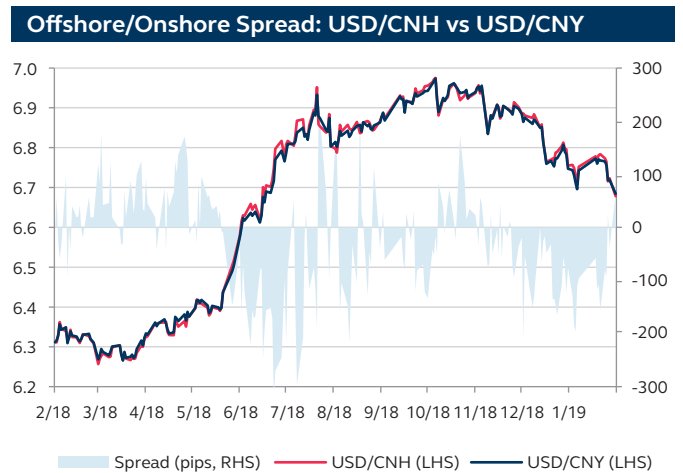
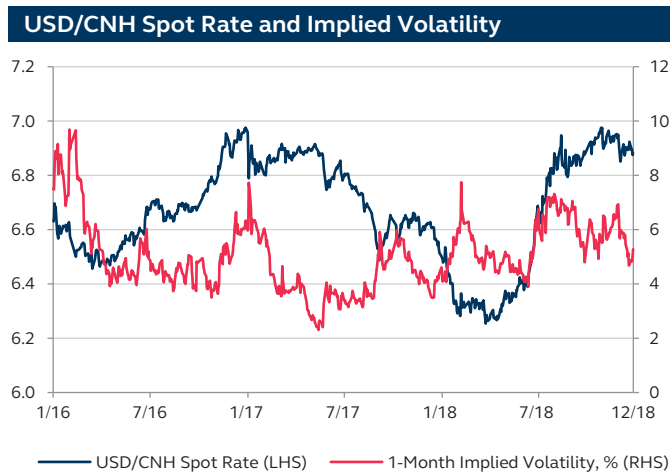


* For block trade quote enquiries, please call +852 2211 6405 / 2211 6122 or email FICD@hkex.com.hk.

Note 1: Currency Options are of high risk and not suitable for inexperienced investors or people who are less risk tolerant

Source: Bloomberg





MARKET INFORMATION



BLOCK TRADE

A block trade comprises large buy and sell orders privately negotiated apart from the public auction market.

Benefits

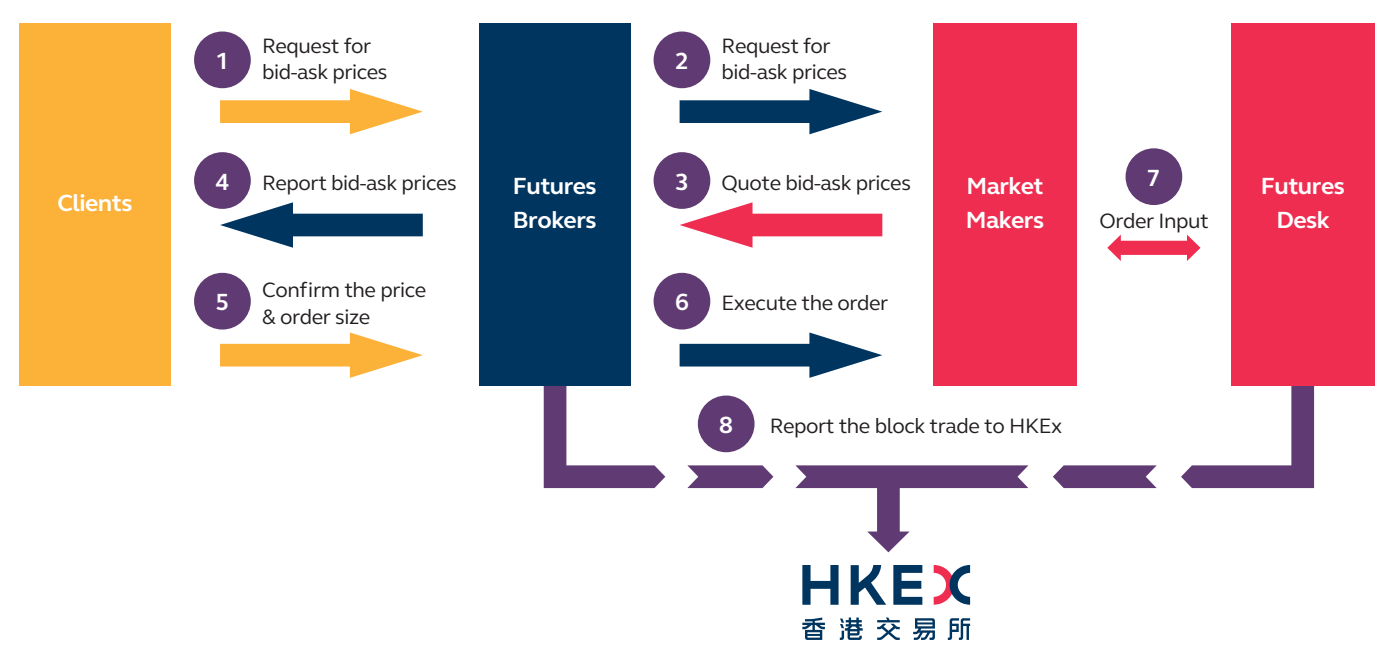
-  Gain large size of FX exposure
-  Price and execution certainty
-  OTC flexibility with central clearing benefits
-  Added liquidity

Criteria

- Minimum volume threshold: 50 contracts
- Permissible price range

RMB Currency Futures	3%
RMB Currency Options	
– if price ≥ 0.4000	10%
– if price < 0.4000	0.04%
- Execution must be within product trading hours
- Telephone recording is required to record all block trade orders

Execution Procedures



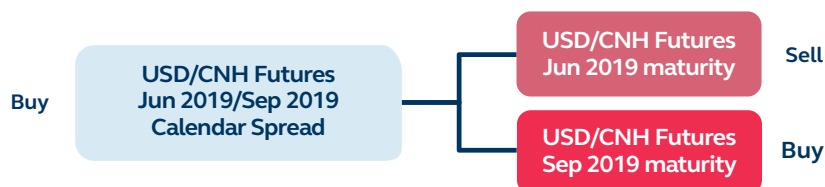
Product team for quote enquiries: Tel +852 2211 6405 / 2211 6122 and FICD@hkex.com.hk
 HKATS team for execution enquiries: Tel +852 2211 6360 and clicksupport@hkex.com.hk

MARKET STRATEGIES

Calendar Spreads

Calendar spreads are available to all individual contract month futures series for efficient calendar rolling.

Upon placing of calendar spread orders, bait orders (system-generated orders that adjust prices according to the prevailing market price) would be placed on outright series legs to increase the chance of execution. Example as below:



Tailor-Made Combinations

Strategies can also be traded through the Tailor-Made Combinations (TMC) facility which enables trading of self-defined futures and options strategies[^], including strategies for delta hedging and rollover, through a single order.

Benefits

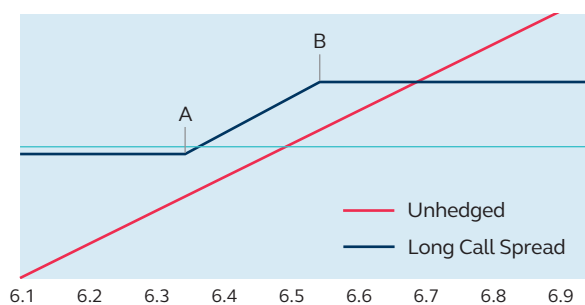
- Execution certainty:** Options strategy will be executed only if all legs are simultaneously executed with no risk of failed legs
- Efficiency:** Each TMC consists of a maximum of 4 legs and is traded through a single net price
- Quotation:** Investors may request for quotes from liquidity providers* for additional liquidity on TMC series

* For quote enquiries, please call +852 2211 6405 / 2211 6122 or email FICD@hkex.com.hk.

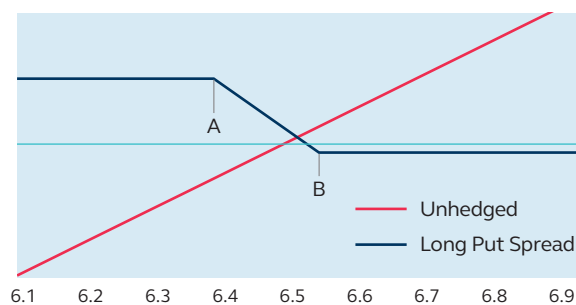
[^] For the list of eligible strategies, please refer to "List of Prescribed Strategies for Tailor-Made Combinations" on the HKEX website.

Diagrams of Theoretical Payoff in CNH (Transaction Costs Are Not Included)

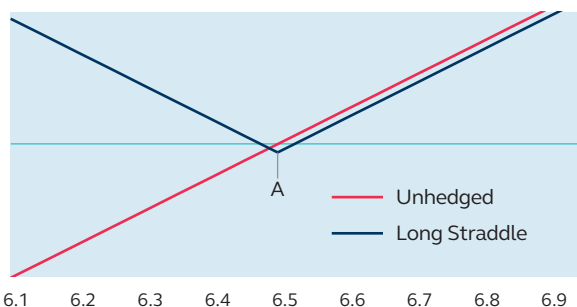
Long Call Spread (Buy Call with strike price A and sell Call with strike price B)



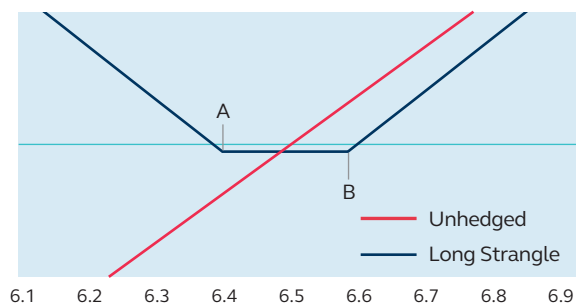
Long Put Spread (Buy Put with strike price A and sell Put with strike price B)



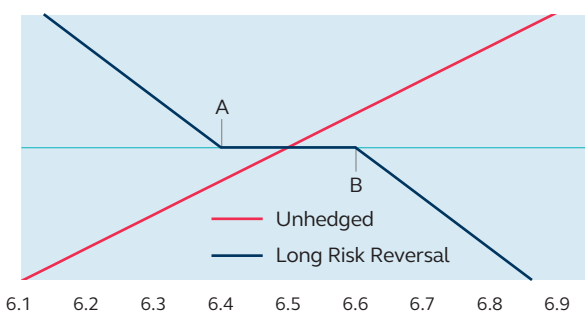
Long Straddle (Buy Call and Put with strike price A)



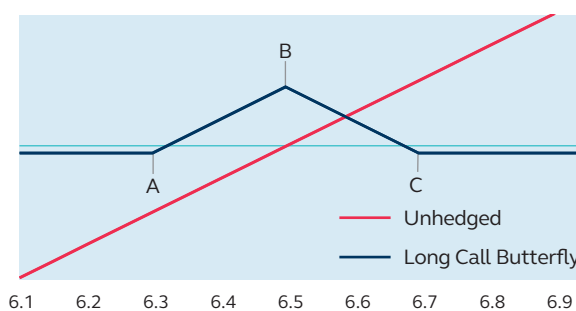
Long Strangle (Buy Call with strike price B and buy Put with strike price A)



Long Risk Reversal (Buy Put with strike price A and sell Call with strike price B)



Long Call Butterfly (Buy 1 Call with strike price A, sell 2 Calls with strike price B and buy 1 Call with strike price C)



INFORMATION VENDOR ACCESS CODE (AS OF 31 JANUARY 2019)

Vendor	USD/CNH Futures	USD/CNH Options
AAStocks.com Ltd	221355	-
ActivFinancial Systems, Inc.	CUS/<yy><mm>.HF; <yy>=contract year, <m>=contract month	CUS/<yy><mm>/<strike><t>.HF; <yy>=contract year, <mm>=contract month, <t>=C or P
AFE Solutions Ltd	870799	873181
Bartech (Int'l)Information Network Limited	CUS	CUS
Bloomberg L.P.	Standard Series: UCAA Curncy CT Standard Combination Series: UCAUCA Curncy	CSX Curncy OMON
CQG, Inc.	CUS	CUS
Colt Technology Services Limited	CUSmy; m=contract month, y=contract year	CUS<Strikes>my; m=contract month, y=contract year
ET Net Ltd	CUS	CUS
InfocastLtd	CUS	CUS
Interactive Brokers LLC	CNH	CNH
Quote Power International Ltd	P11020	-
Refinitiv	0#HCUS:	0#HCUS*.HF
SIX Group Ltd	CUSmy; m=contract year, y=contract year	CUSmy; m=contract year, y=contract year
Wind Information Co., Ltd	Commodity -> CUSF.HK	Quant -> CUSO.HK

Please also refer to the HKEX website (www.hkex.com.hk/fx) for real time quotes and further product information.

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Futures or options involve a high degree of risk. Losses from futures or options trading can exceed initial margin funds and investors may be required to pay additional margin funds on short notice. Failure to do so may result in the position being liquidated and the investor being liable for any resulting deficit. Investors must therefore understand the risks of trading in futures and options and should assess whether they are right for them.

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