

By email < response@hkex.com.hk > and by post

29 October 2010

Our Ref.: C/CFC, M73506

Corporate Communications Department Hong Kong Exchanges and Clearing Limited 12th Floor, One International Finance Centre 1 Harbour View Street, Central Hong Kong

Dear Sirs.

Re: Consultation paper on proposed changes to trading hours

The Hong Kong Institute of Certified Public Accountants has considered the above consultation paper and our comments on the proposals are set out in the questionnaire attached to this letter.

If you have any questions on this submission or wish to discuss it further, please feel free to contact me at the Institute on 2287 7084.

Tel電話: (852) 2287 7228

Fax傳真: (852) 2865 6776

(852) 2865 6603

Website網址: www.hkicpa.org.hk

Email電郵: hkicpa@hkicpa.org.hk

Yours faithfully,

Peter Tisman

Director, Specialist Practices

PMT/ML/ay Encl.

HKEx Questionnaire on Proposed Changes to Trading Hours

The purpose of this questionnaire is to seek views and comments from all interested parties regarding the Consultation Paper on the Proposed Changes to Trading Hours (the Consultation Paper) published by Hong Kong Exchanges and Clearing Limited (HKEx) on 17 September 2010.

The Consultation Paper can be downloaded from the HKEx website at http://www.hkex.com.hk/eng/newsconsul/mktconsul/Documents/cp2010093.pdf.

Please complete and return this questionnaire no later than **29 October 2010** by one of the following methods:

By mail or Corporate Communications Department hand delivery to Hong Kong Exchanges and Clearing Limited

12th Floor, One International Finance Centre

1 Harbour View Street

Central Hong Kong

Re: Consultation Paper on Proposed Changes to Trading Hours

By fax to (852) 2524-0149

By e-mail to response@hkex.com.hk

HKEx's submission enquiry number is (852) 2840-3844.

The names of persons who submit comments together with the whole or part of their submissions may be disclosed to members of the public. Respondents who do not wish their names to be published should indicate so clearly in Part 1 of this questionnaire.

PART 1: GENERAL INFORMATION OF THE RESPONDENT

(1)		ase state whether your response represents your personal or your company's view by cking () the boxes below and fill in the information as appropriate:
		Personal view
		Respondent's full name*: Mr / Ms / Mrs
		Phone no.*: Email address:
		Among the following, please select the one best describing your position*: If you are in the brokerage industry: Business owner Management Front-line staff (e.g. sales, trading) IT staff Legal/compliance Other back office staff Others, please specify: If you are not in the brokerage industry: Listed company staff Retail investor Institutional investor None of the above
	V	Company view
		Company name*: Hong Kong Institute of Certified Public Accountants
		Company type*: HKEx Participant:- SEHK HKFE HKSCC SEOCH HKCC
		Listed company Issuer (e.g. ETF issuer)
		✓ None of the above
		Contact person*: Mr/ Ms/Mrs Peter Tisman
		Title: Director, Specialist Practices
		Phone no.*: 2287 7084 Email address: peter@hkicpa.org.hk
	use	portant note: All fields marked with an asterisk (*) are mandatory. HKEx may the contact information above to verify the identity of the respondent. ponses without valid contact details may be treated as invalid.
(2)	Disc	closure of identity
	the	Ex may publish the identity of the respondent together with Part 2 of this response to members of public. Respondents who do not wish their identities to be published uld check the box below:
		I/We do not wish to disclose my/our identity to the members of the public.

Signature (with Company Chop if the response represents company view)

PART 2: QUESTIONS FOR RESPONSE

Please indicate your views by providing comments as appropriate. Where there is insufficient space, please use additional sheets of paper as necessary.

Section I: H	KEx's Proposal
Change (A):	Advance the morning continuous trading session (CTS) by 0.5 hours. The morning CTS of the securities and stock futures/options markets will open at 09:30 and close at 12:00; the index futures/options markets will open at 09:15 and close at 12:00 (i.e. our markets will open at the same time as the Mainland's in the morning).
Change (B):	Advance the opening times of the afternoon CTS:
	Option 1: the afternoon CTS of all markets will open at 13:00 resulting in a 1-hour lunch break from 12:00 to 13:00 (i.e. our markets will open at the same time as the Mainland's in the afternoon); or
	Option 2: the afternoon CTS of all markets will open at 13:30 resulting in a 1.5-hour lunch break from 12:00 to 13:30 (i.e. our markets will open 0.5 hours later than the Mainland's in the afternoon).
•	your company support <i>Change (A) of the Proposal</i> , i.e. advance the morning 0.5 hours?
\checkmark Yes	s, due to reason(s) stated below (multiple selection allowed):
\checkmark	Better price discovery
\checkmark	Enhanced compatibility with the Mainland
	Better service to investors
\checkmark	Strengthened competitiveness
	Other reason(s), please specify:
	due to reason(s) stated below (multiple selection allowed):
	System/operational issues
	Insufficient time to digest market news before market open
	Business commitments (e.g. morning briefings)
	Longer and earlier working hours
	Other reason(s), please specify:

2.	Do you/your company support <i>Change (B) of the Proposal</i> , i.e. advance the opening times of the afternoon CTS?		
	☑ Yes, due to reason(s) stated below (multiple selection allowed):		
	☑ Better price discovery		
	☑ Enhanced compatibility with the Mainland		
	☑ Better service to investors		
	☑ Strengthened competitiveness		
	Other reason(s), please specify:		
	☐ No, due to reason(s) stated below (multiple selection allowed):		
	System/operational issues		
	☐ Insufficient time to digest market news before market open		
	☐ Business commitments (e.g. lunch meetings with clients)		
	☐ Change of lunch practice		
	Other reason(s), please specify:		
3.	Which of the two options of Change (B) of the Proposal would you prefer:		
	☑ Option 1: the afternoon CTS of all markets will <i>open at 13:00 resulting in a 1-hour lunch break from 12:00 to 13:00</i> (i.e. our markets will open at the same time as the Mainland's in the afternoon)		
	Option 2: the afternoon CTS of all markets will <i>open at 13:30 resulting in a</i> 1.5-hour lunch break from 12:00 to 13:30 (i.e. our markets will open 0.5 hours later than the Mainland's in the afternoon)		
	Remarks: In view of the benefits of aligning the opening times of the Hong		
	Kong securities and derivatives markets with those of the Mainland, and		
	improving Hong Kong's competitive position, as set out in the consultation		
	paper, we prefer option 1.		

4.	(For respondents representing your company's view) If Changes (A) and (B) in the Proposal are adopted, does your company need to prepare for implementation? How much <i>lead time</i> would be required?		
	N/A		
Se	Section II: Auction Sessions		
	change in the auction sessions except that they will move along with the CTS as lows:		
•	Morning auction sessions for securities market and index futures/options markets will become 09:00 to 09:30 and 08:45 to 09:15 respectively; and		
•	Afternoon auction session for index futures/options markets will become 12:30 to 13:00 (Option 1) or 13:00 to 13:30 (Option 2).		
5.	If <i>Change</i> (A) is adopted, should the <i>morning auction sessions</i> remain 0.5 hours? If not, what is your/your company's suggestion? Please state reason(s).		
6.	If <i>Change (B)</i> is adopted, should the <i>afternoon auction session</i> remain <i>0.5 hours</i> for Option 1 and Option 2? If not, what is your/your company's suggestion? Please state reason(s).		
Section III: Other issues			
7.	Are there any other issues regarding the Proposal to change trading hours that HKEx should consider?		
	NIL		