



21 January 2013

Clerk to Panel on Financial Affairs
Legislative Council Secretariat
Legislative Council Complex
1 Legislative Council Road
Central, Hong Kong

**Asia TraderForum's Expression of Support for Hong Kong Exchanges and Clearing
Limited's Proposal to Introduce After-hours Futures Trading (AHFT)**

Dear Sir/Madam,

This letter is in reference to the Legislative Council Panel on Financial Affairs' special meeting to discuss after-hours futures trading proposed by the HKEx. As an interested industry representative group we would like to express our support for HKEx's proposal and to explain more about our members' position on the matter.

Asia TraderForum is private membership group for heads of buy-side trading at international asset management firms. The membership's mission is to help support the development of fair and efficient markets throughout the Asia-Pacific. With 22 members across asset management firms representing well over \$500bn USD under management in Asia, Asia TraderForum represents a broad view of relevant buy-side participants.

We believe the AHFT initiative will be an important step to improve upon efficient capital markets in Hong Kong. Currently, overnight risk exposures are unable to respond to events or news in the European or US time zones. By introducing AHFT risk efficiencies will become apparent while no liquidity or financial stability issues are expected from this development.

When considering Hong Kong's potential for further integration into the global financial system we note that AHFT is commonplace in overseas derivatives markets such as the ASX, SGX, CME and OSE. We view Hong Kong's entry into afterhours trading as a positive, natural evolution of Hong Kong's financial markets that will ensure commensurate trading capabilities when compared to other global marketplaces.

Thank you for your kind consideration of **Asia TraderForum's** comments.

A handwritten signature in dark ink, appearing to read "Aimi", is positioned above the printed name.

Aimi Ramlee
Deputy Director
Asia TraderForum