

Subcommittee on Securities and Futures (Contracts Limits and Reportable Positions) (Amendment) Rules 2011

List of follow-up action arising from the discussion at the meeting on 12 October 2011

1. To provide the background leading to the introduction of the Amendment Rules.
2. To advise the bases upon which the prescribed limits and reporting levels for the stock options contracts of iShares FSTE A50 China Index ETF and W.I.S.E. – CSI 300 China Tracker, as well as the future contracts of HSI Dividend Point Index and HSCEI Dividend Point Index are arrived at.
3. To advise the effects of substantial fluctuations in the stock options market on the stock market, and the actions taken or to be taken by the authorities with illustrations over the past two years.
4. To advise the measures in place to prevent circumvention of the prescribed limits for stock options contracts using different companies.

Council Business Division 1
Legislative Council Secretariat
21 October 2011