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[From:](#)
15/08/2014 11:07 PM

[Subject](#) re:Consultation paper on the Securities and Futures (OTC Derivative Transactions - Reporting and Record Keeping) Rules

[History:](#)

We would request that my name and the firms name are withheld from this submission

To whom it may concern:

With reference to the document "Consultation paper on the Securities and Futures (OTC Derivative Transactions - Reporting and Record Keeping) Rules" we would like to request clarification on the following two points:

1. **Clarification sought on Question 3. (page 18)** - The proposal by HKMA and SFC is that all NDF transactions are reportable while the concept of spot or forward has not been defined. Common industry interpretation is that only transactions longer than a T+2 settlement are considered forward transactions with anything less being considered spot and not reportable. Please clarify the definition of NDF under varying settlement conditions.
2. **Clarification sought Schedule 2 Item 6 - Question 23 (page 46)** - HKTR will be enhanced to include "valuation transaction information" and there will be the requirement to include a reportable field that identifies whether a trade has been "marked to market" or "marked to model". We would like to request that both these terms are defined and also indicate under what conditions the valuation would move from mark to market to mark to model.

Kind Regards,
