



HONG KONG MONETARY AUTHORITY
香港金融管理局

Banking Policy Department

Our Ref: B1/15C
B1/21C

17 November 2023

The Chief Executive
All Authorized Institutions

Dear Sir / Madam,

Supervisory Policy Manual (SPM): CR-S-4 “New Share Subscription and Share Margin Financing”

I am writing to inform you that, following consultation with the two industry Associations, the Monetary Authority issues by notice in the Gazette today a revised version of the SPM module CR-S-4 “New Share Subscription and Share Margin Financing” as a statutory guideline under section 7(3) of the Banking Ordinance. The revised module will take effect on 22 November 2023.

The revised SPM module has incorporated changes consequential to the initial public offering settlement reform by The Hong Kong Exchanges and Clearing Limited through the launch of Fast Interface for New Issuance. The opportunity has also been taken to provide further guidance on a holistic approach to risk management of share margin financing, taking into account the latest incidents in the market.

On-line access to the revised SPM module is available on the HKMA’s public website (<https://www.hkma.gov.hk/eng/regulatory-resources/regulatory-guides/supervisory-policy-manual/>) and the Supervisory Communication Website (<https://www.stet.iclnet.hk>).

Should you have any questions relating to this SPM module, please contact Mr Eric Ng (2878-8603), Ms Niki Wong (2878-1473) or Ms Sally Lo (2878-1521).

Yours faithfully,

Cho-hoi Hui
Acting Executive Director (Banking Policy)

Encl

cc: The Chairperson, The Hong Kong Association of Banks
The Chairperson, The DTC Association
FSTB (Attn: Mr Justin To)