**Tseung Kwan O New Data Center Plays Important Role for Hong Kong Exchanges and Clearing Limited**

The Tseung Kwan O new data center of the Hong Kong Exchanges and Clearing Limited has operated recently. How does it affect the future of the Hong Kong Exchanges and Clearing Limited? How does it affect the financial market of Hong Kong?

Mr. Chow Ying Foon, an associate professor of the faculty of Business and Economics of the Chinese University of Hong Kong said, “This data center will greatly raise the transaction ability of the Hong Kong Exchanges and Clearing Limited.” “It can eliminate the situation of message latency and make both the buyer and the seller quickly understand the movement of the market.” “It can enhance the mobility and raise the market sentiment of both the buyer and the seller.”

“In the long run, we need this platform. It can help enhance the reputation of the financial center for Hong Kong.” He continued.

Dan Li, assistant professor of the school of economics and finance of the University of Hong Kong said, “I don’t see the data center has particular impact on the transaction between the buyer and the seller. The new data center has two features. One is reduce the latency of the transaction. The order will reach the sell side faster. Another feature is the co-location service. The physical distance is highly reduced. It reduces the physical distance and increase the speed of transaction. It more affects the sell side. The buy side is less sensitive to it.”

She continued, “Good infrastructure has attracted those from the proprietary trading house to try to make profit out of trading with their capital. People who rent the rack combine their knowledge with the infrastructure to grasp the profitable opportunity.” “The new data centre is necessary change for Hong Kong because Hong Kong is targeting to become a financial centre. If the transaction speed is so slow, the financial institution has no need to come to Hong Kong. If the volume of trading decreases, liquidity will drop and the financial institution has no need to come to Hong Kong.”“Good financial system helps money being used efficiently. It helps price discovery.”

Spokesman of Hong Kong Exchanges and Clearing Limited said, “HKEx’s IT office was relocated to the new Data Centre in mid-October and the first phase of data centre migration, involving the Cash Market, was completed on 29 October after a series of market rehearsals with Exchange participants and information vendors. The system cutover in late October was successful and the trading operations of the Cash Market have been very smooth. HKEx is now in a two-week stabilization period during with procedures will be in place to facilitate site failover to the backup data centre should any major incidents occur.”

“The relocation of all other primary data centers will be conducted by phases in 2013. The relocations will enable HKEx to consolidate its primary data centers under one roof for increased efficiency.” HKEx spokesman continued.

Spokesman said, “The data centre was built to meet the top-level Tier 4 data centre resilience requirements. It also meets the LEED Gold standard, which is part of an internationally recognized green building certification system”

“The data centre is part of the infrastructure for HKEx Orion. It is a US$380 million programme comprising new platforms and facilities that will further elevate HKEx’s position as a global exchange. Orion is designed to revolutionize HKEx’s core trading platforms, including connectivity networks, a data centre, and systems providing order matching, market data dissemination and market access services.”

Reported by Janet Li Hoi Yan