

Circular No. 13 of 2019

29 April 2019

Announcement on Listing of Revised APEX RBD Palm Olein Futures Contract

Further to Circular No. 10 of 2019 notifying Members and participants on the impending revisions to the APEX RBD Palm Olein Futures Contract (“PF”), Asia Pacific Exchange Pte. Ltd. and Asia Pacific Clear Pte. Ltd. would like to inform that the revisions to the PF contract as described below will take effect from the Night Session on 3 May 2019 (i.e. 1st Session of the trading day of 6 May 2019) onwards.

(1) CONTRACT LISTING OF REVISED PF

The revised PF1910 to PF2005 will be available for trading from the Night Session on 3 May 2019 onwards. These contracts will follow the revised PF contract specifications.

Trading in PF1905 to PF1908 will continue as per normal on the existing contract specifications, save for revisions made to trading hours and Final Settlement Price methodology, until their expiry.

To accommodate the changes in Last Trading Day, PF1909 will not be available for trading.

(2) TRADING HOURS (CLAUSE 2.3)

The trading hours for all contracts will be revised as follow:

Session	Trading Hours (Prior to Night Session of 3 May 2019)	Revised Trading Hours (From Night Session of 3 May 2019)
Morning session (2 nd session)	9:00am – 12:30pm	9:00am – 12:30pm
Afternoon session (3 rd session)	1:30pm – 6:00pm	1:30pm – 6:00pm
Pre-opening session of next Trading Day	10:25pm – 10:30pm	8:55pm – 9:00pm
Night session (1 st session)	10:30pm – 11:30pm	9:00pm – 11:00pm

(3) FINAL SETTLEMENT PRICE (“FSP”) (CLAUSE 3.5)

The FSP for all contracts will be calculated based on the volume weighted average Daily Settlement Price during the last three (3) Trading Days, instead of the last ten (10) Trading Days.

(4) LAST TRADING DAY (“LTD”) (CLAUSE 2.3)

The Last Trading Day of the listed contract months will be revised as follows:

Contract	Previous LTD	Revised LTD
PF1905	15 th May 2019	No change
PF1906	14 th June 2019	No change
PF1907	15 th July 2019	No change
PF1908	15 th August 2019	No change
PF1910	15 th October 2019	13 th September 2019
PF1911	15 th November 2019	15 th October 2019
PF1912	13 th December 2019	15 th November 2019
PF2001	15 th January 2020	13 th December 2019
PF2002	14 th February 2020	15 th January 2020
PF2003	13 th March 2020	14 th February 2020
PF2004	15 th April 2020	13 th March 2020
PF2005	-	15 th April 2020

(5) OTHER CONTRACT SPECIFICATIONS

Subject	Current Specifications (For PF1905 to PF1908 until their expiry)	Revised Specifications (For PF1910 onwards)
Minimum Deliverable Size	400 lots i.e. 4,000MT	50 lots i.e. 500MT
Deliverable Quantity	Minimum Deliverable Size (400 lots) or multiples thereof	(i) APEX Appointed PTI: Minimum delivery of 500MT (ii) APEX Approved Delivery Point: Minimum delivery of 2,000MT
Approved Delivery Ports	(i) Pasir Gudang (Malaysia) (ii) Port Klang (Malaysia) (iii) Belawan (Indonesia) (iv) Dumai (Indonesia)	(i) Pasir Gudang (Malaysia) (ii) Port Klang (Malaysia) (iii) Belawan (Indonesia) (iv) Dumai (Indonesia) (v) Lahad Datu (Malaysia)

<p>Margin Requirements</p>	<p>(i) Total Delivery Margin = 1st Delivery Margin + 2nd Delivery Margin + Delivery Margin Adjustments</p> <p>(ii) Total Delivery Margin = 20% of the Contract Value of the open position(s) held by any and each of the account with the Final Settlement Price as the Base Price</p> <p>(iii) 1st Delivery Margin shall be equal to 10% of the Contract Value with the Daily Settlement Price of the preceding Business Day as the Base Price</p> <p>(iv) 2nd Delivery Margin shall be equal to 10% of the Contract Value with the Final Settlement Price as the Base Price</p> <p>(v) Delivery Margin Adjustments shall be the additional amount adjusted for 1st Delivery Margin so that the 1st Delivery Margin equals to 10% of the Contract Value with the Final Settlement Price as the Base Price</p>	<p>(i) Total Delivery Margin = Initial Margin + 1st Delivery Margin + 2nd Delivery Margin</p> <p>(ii) Total Delivery Margin = 15% of the Contract Value of the open position(s) held by any and each of the account with the Final Settlement Price as the Base Price</p> <p>(iii) 1st Delivery Margin shall be equal to 3% of the Contract Value with the Daily Settlement Price of the preceding Business Day as the Base Price</p> <p>(iv) 2nd Delivery Margin shall be the remaining amount such that the Total Delivery Margin is 15% of the Contract Value with the Final Settlement Price as the Base Price</p>
<p>Odd Lots Treatment</p>	<p>(i) Liquidation of positions held by any individual account</p> <p>(ii) Liquidation of positions for the Parties with Odd Lots</p> <p>(iii) Liquidation of positions via last in first out (LIFO) for the Parties who have Deliverable Quantity but are prohibited to proceed with</p>	<p>(i) Liquidation of positions held by any individual account</p> <p>(ii) Liquidation of positions via first in first out (FIFO) for Parties with Odd Lots</p> <p>(iii) Liquidation of positions via last in first out (LIFO) for the Parties who have Deliverable Quantity but are prohibited to proceed with</p>

	physical delivery due to liquidation of Odd Lots.	physical delivery due to liquidation of Odd Lots.
Odd Lots Penalty	10% of the Contract Value with the Final Settlement Price as the Base Price shall be imposed on the Parties holding Odd Lots and paid to the Parties who have Deliverable Quantity but are prohibited to proceed with physical delivery due to liquidation of Odd Lots	1% of the Contract Value with the Final Settlement Price as the Base Price shall be imposed on the Parties holding Odd Lots and paid to the Parties who have Deliverable Quantity but are prohibited to proceed with physical delivery due to liquidation of Odd Lots
Payment Arrangement	By 18:00pm on the 1st Calendar Day (if the 1st Calendar Day is not a Business Day, then the immediately preceding Business Day) of the Delivery Month, the Buyer shall remit 80% of Contract Value with the Final Settlement Price as the Base Price by cash to the Clearing House through its Clearing Member.	By 18:00pm on the 1st Calendar Day of the Delivery Month (if the 1st Calendar Day is not a Business Day, then the immediately preceding Business Day), or the 3rd Business Day prior to Buyer's Vessel's ETA at the loading port, whichever comes later, the Buyer shall remit 105% of Contract Value with the Final Contract Price as the Base Price ("Buyer Contract Payment") less the Total Delivery Margin ("Buyer Balance Payable") by cash to the Clearing House through its Clearing Member.

For more information regarding the amendments, please refer to the revised contract specifications at <https://www.asiapacificex.com/Products/Agricultural/Palm-Olein/77.html>

Please ensure the appropriate members of staff within your organisation are advised of the contents of the circular.

FOR MORE INFORMATION, PLEASE CONTACT

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