

Circular No. 22 of 2019

14 August 2019

Revised Margin Rates for APEX Crude Palm Oil Futures Contract

Asia Pacific Exchange Pte. Ltd. (the “Exchange”) and Asia Pacific Clear Pte. Ltd. (the “Clearing House”) would like to inform all participants of the applicable margin rates for the APEX Crude Palm Oil Futures Contract.

Pursuant to Clearing Rule 406 and Clearing Procedures 5, the Exchange and its Clearing House have set the following SPAN® Margin Parameters with effect from 22 August 2019, Thursday.

Price Scanning Ranges (Outright Margin Rates)

Product Name	Product Code	Combined Commodity Code	Margin Rate
APEX Crude Palm Oil Contract	CPF	CPO	USD 380

Intra-Commodity Tier Structure

Product Name	Product Code	Combined Commodity Code	Tier	Contracts
APEX Crude Palm Oil Contract	CPF	CPO	1	All the contract months that have passed their Last Trading Days
APEX Crude Palm Oil Contract	CPF	CPO	2	All contracts available for trading

Intra-Commodity Spread Margin Rates and Charges

Product Name	Product Code	Combined Commodity Code	Priority	Leg A Tier	Leg B Tier	Margin Rate
APEX Crude Palm Oil Contract	CPF	CPO	1	2	2	USD 250
APEX Crude Palm Oil Contract	CPF	CPO	2	1	2	USD 760
APEX Crude Palm Oil Contract	CPF	CPO	3	1	1	USD 760

Inter-Commodity Spread Margin Rates and Charges

Priority	Inter-commodity Spread	Spread Credit	Delta Ratio
1	CPF:PF	50%	1:1

Delivery Charge Add on for Front Month Contracts

Delivery Margin	Product Code	Combined Commodity Code	Charge		Note
			Outright Positions	Spread Positions	
First Delivery Margin	CPF	CPO	3% of Contract Value ¹		Imposed on the 10 th Calendar Day of the Front Contract Month ²
Second Delivery Margin	CPF	CPO	15% of Contract Value ³ less Initial Margin and First Delivery Margin		Imposed on the first business day following the last trading day

¹Based on the Daily Settlement Price of the preceding business day.

²The immediately preceding business day if the 10th Calendar Day is not a Business Day.

³The Contract Value is based on the Final Settlement Price.

The above information can be found in APEX website at <https://www.asiapacificex.com/Clearing/Operational-Information/349.html> and the SPAN risk parameter files can be downloaded at this link <https://www.asiapacificex.com/Clearing/Operational-Information/348.html>.

Please ensure that the appropriate staff within your organisation are made aware of the contents of this Circular.

FOR MORE INFORMATION, PLEASE CONTACT

Risk Management
risk@asiapacificex.com