

Circular No. 3 of 2020

6 January 2020

## 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 night session of 13 January 2020, Monday

### Price Scanning Ranges (Outright Margin Rates)

Product Name	Product Code	Combined Commodity Code	Margin Rate
APEX Crude Palm Oil Contract	CPF	CPO	USD 350

### 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 and first contract that is available for trading
APEX Crude Palm Oil Contract	CPF	CPO	2	Second contract to Fifth contract that is available for trading
APEX Crude Palm Oil Contract	CPF	CPO	3	Sixth contract to Ninth contract that is available for trading
APEX Crude Palm Oil Contract	CPF	CPO	4	Remaining contracts that are 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 120
APEX Crude Palm Oil Contract	CPF	CPO	2	3	2	USD 180
APEX Crude Palm Oil Contract	CPF	CPO	3	3	3	USD 180
APEX Crude Palm Oil Contract	CPF	CPO	4	4	2	USD 220
APEX Crude Palm Oil Contract	CPF	CPO	5	4	3	USD 220
APEX Crude Palm Oil Contract	CPF	CPO	6	4	4	USD 220
APEX Crude Palm Oil Contract	CPF	CPO	7	1	1	USD 700
APEX Crude Palm Oil Contract	CPF	CPO	8	1	2	USD 700
APEX Crude Palm Oil Contract	CPF	CPO	9	1	3	USD 700
APEX Crude Palm Oil Contract	CPF	CPO	10	1	4	USD 700

### 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 <sup>1</sup>		Imposed on the 10 <sup>th</sup> Calendar Day of the Expiring Contract Month <sup>2</sup>

Delivery Margin	Product Code	Combined Commodity Code	Charge		Note
			Outright Positions	Spread Positions	
Second Delivery Margin	CPF	CPO	15% of Contract Value <sup>3</sup> less Initial Margin and First Delivery Margin		Imposed on the 2 <sup>nd</sup> business day following the last trading day

<sup>1</sup>Based on the Daily Settlement Price of the preceding business day.

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

<sup>3</sup>The Contract Value is based on the Final Settlement Price.

The above information can be found in APEX website at [https://www.asiapacificex.com/?p=operation\\_info](https://www.asiapacificex.com/?p=operation_info) and the SPAN risk parameter files can be downloaded at this link [https://www.asiapacificex.com/?p=span\\_download](https://www.asiapacificex.com/?p=span_download).

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

## FOR MORE INFORMATION, PLEASE CONTACT

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