

Circular 19 of 2022

15 July 2022

Announcement on Launch of APEX Bitcoin Perpetual Futures Contract

Asia Pacific Exchange Pte. Ltd. and Asia Pacific Clear Pte. Ltd. would like to announce that the APEX Bitcoin Perpetual Futures Contract (“**BTCP**”) will be listed for trading from 27 Jul 2022 07:00hr onwards.

This circular sets out the operational details related to the trading of BTCP, including the listing day, trading calendar and hours, settlement prices, funding fee, price limits, block trades, margin rates, reportable thresholds, and the applicable fees.

(1) LISTING DAY

On the first day of trading of BTCP, the Pre-Opening Session will be from 06:55hr - 06:59hr, the Opening Match Session will be from 06:59hr - 07:00hr, with the Day Session beginning at 07:00hr. The trading hours thereafter will be as stipulated in the contract specifications.

(2) TRADING CALENDAR AND HOURS

The trading hours for BTCP on any Trading Day will be as follows:

Trading Hours	<p>Singapore time trading sessions: Monday – Friday, including Singapore Public Holidays</p> <p><u>T Session:</u> 06:55hr - 06:59hr (Pre-opening session) 06:59hr - 07:00hr (Opening match session) 07:00hr - 18:00hr (Day session)</p> <p><u>T+1 Session:</u> 19:25hr - 19:29hr (Pre-opening session) 19:29hr - 19:30hr (Opening match session) 19:30hr - 05:30hr (Night session)</p> <p>T stands for a given Trading Day. The end of the Day Session is the end of T.</p>
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(3) DAILY SETTLEMENT PRICE

The Daily Settlement Price of a given day shall be equal to Compass Crypto Reference Index Bitcoin (“CCRIBTC”) Price published by Compass Financial Technologies SA (“Compass”) at 18:00hr (GMT+8). The Daily Settlement Price shall be rounded to the nearest US \$0.005/milliBitcoin.

(4) FINAL SETTLEMENT PRICE

Final Settlement Price is not applicable as there is no maturity date.

(5) FUNDING FEE

Funding Fees will be applied to all open positions at the end of each T Session and T+1 Session. The Funding Fee will be calculated and collected during the end-of-day clearing cycle at the end of each Trading Day.

The formula is as follows:

$$\text{Funding Fee} = \text{Number of open position contracts} \times \text{Contract Size} \times \text{Compass Crypto Real Time Index Bitcoin (\"CCRTBTC\") (in milliBitcoin)} \times \text{Funding Rate}$$

The Funding Rates can be found at

Current Rate: https://www.asiapacificex.com/?p=latest_quotes#tab-four

Historical Rates: https://www.asiapacificex.com/?p=historical_data#tab-five

(6) PRICE LIMITS

There shall be no price limit. Dynamic Price Banding of 10% will be used. This banding does not apply to block trade.

(7) BLOCK TRADE

Members and Inter-Dealers Brokers who intend to execute and report block trades for BTC/USD must apply to the Exchange for access to the APEX Block Trade Facility (“BTF”).

Block trades must be reported to the Exchange through the BTF.

The reporting of block trades for BTC/USD may only take place during the following Block Trade timings:

Session	Screen Trade Timing	Block Trade Timing
Night Session / 1 st Session (T + 1)	19:30hr – 05:30hr (T+1)	19:30hr – 05:30hr (T+1)
Day Session / 2 nd Session (T)	07:00hr – 18:00hr (T)	07:00hr – 18:30hr (T)

Reporting Time Requirement

All block trades must be reported to the Exchange within 15 minutes after the conclusion of the trade negotiation, and accepted/confirmed within 30 minutes after successful reporting through the BTF.

Minimum Volume Threshold

The Minimum Volume Threshold (“MVT”) in respect of each contract shall be determined by the Exchange and published from time to time. The MVT for block trade of BTCP is 20 lots.

(8) MARGIN RATES

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 27 Jul 2022.

Price Scanning Ranges (Outright Margin Rates)

Product Name	Product Code	Combined Commodity Code	Margin Rate
APEX Bitcoin Perpetual Futures Contract	BTCP	BTCP	USD 280

Inter-Commodity Spread Margin Rates and Charges

Inter-commodity Spread	Spread Credit	Delta Ratio	Margin Rate
BTCP:BTC	92%	1:1	USD 40

The above information can be found on APEX’s website at https://www.asiapacificex.com/?p=operation_info and the SPAN risk parameter files can be downloaded at https://www.asiapacificex.com/?p=span_download.

In addition, for retail customers trading BTCP, Clearing Members are reminded to collect 150% of the above imposed APEX Margin Rates, subject to a floor of 50% and a cap of 100% of the notional value of BTCP. For the avoidance of doubt, “retail customers” here means all customers who are not Accredited Investors, Expert Investors or Institutional Investors, as defined in the Securities Futures Act, and this requirement applies to all retail customers served by a Capital Markets Service Licensee regardless of their location.

(9) REPORTABLE THRESHOLD

The reportable threshold for BTCF is as follows:

Product	Reportable Threshold
APEX Bitcoin Perpetual Futures Contract	5,000 lots on either side of the market

Who Must Report

Members are required to submit to the Exchange a report of all Open Positions held by a person and/or in a position account of reportable status.

Reportable Status

An Open Position is of reportable status if the Open Positions at the end of any Trading Day is at or above the Reportable Threshold as prescribed by the Exchange.

Required Information

The report must include the (i) Open Positions, (ii) identity of the beneficial owner(s) of the Open Positions, and (iii) the trading strategies of the relevant position account. Items (i) and (ii) must be submitted to the Exchange on the Trading Day following the trade date that such Open Positions in question becomes reportable. Item (iii) must be submitted within three Business Days from the first day that such Open Position in question becomes reportable. The Large Position Report must be submitted before 10:00hr of next Trading Day.

Report Format

Position information for all Open Positions of reportable status must be submitted in electronic format (as shown in Appendix 1) to the Exchange via the Exchange's FTP server (for Clearing Members only) or emailed to the Exchange's Operations department at operations@asiapacificex.com.

(10) APPLICABLE FEES

The applicable fees for BTCF are as follows:

1. Screen Trade Fees

Fee Type	Fee (USD)
Trading Fee	0.70/lot
Clearing Fee	0.30/lot

2. Block Trade Fees

Fee Type	Fee (USD)
Trading Fee	No Charge
Clearing Fee	1.00/lot

3. Post-Trade Fees*

Fee Type	Fee (USD)
Give-up/Take up Fee	0.05/lot
Position Re-opening Fee	0.10/lot
Position Transfer Fee	0.15/lot

**Post-Trade Fees will be waived until further notice.*

For full details of the contract specifications, please refer to APEX website.

https://www.asiapacificex.com/?p=bitcoin_perpetual_futures

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

FOR MORE INFORMATION, PLEASE CONTACT

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APPENDIX 1

Large Positions Report

(Email to operations@asiapacificex.com)

Member ID		Trade Date*	
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S/N	Position Acc ID	Business Unit	Identity of Beneficial Owner	ID Type	Identity Number	Contract	Long	Short	Trading Strategy**
1	A3001_CO_3101	ABC123	Ken	NRIC	S8888888	BTCP	25	6000	Hedging /Arbitrage/ Speculation
2	A3001_CO_3101	DEF123	DEF Company	ACRA Bizfile	1234567	BTCP	7000	5	Hedging
3									
4									
5									
6									
7									

Note:

* Trades in T+1 session (night session) should be included in next day reporting.

**Clearing House may request for supporting documents.

The details of Trading Strategies shall be reported within 3 Business Days from the first day a person/position account becomes reportable.

The rest of the information shall be reported on the Trading Day following the trade date it becomes reportable.