

Circular 27 of 2022

07 September 2022

Announcement on Launch of APEX Silver Perpetual Futures Contract

Asia Pacific Exchange Pte. Ltd. and Asia Pacific Clear Pte. Ltd. would like to announce that the APEX Silver Perpetual Futures Contract (“AGP”) will be listed for trading from 14 Sep 2022 07:00hr onwards.

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

(1) LISTING DAY

On the first day of trading of AGP, 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 NON-STANDARD TRADING HOURS

The following non-London Bullion Market Association (“LBMA”) Silver Publication Days¹ in 2022 will be Non-Trading Days for AGP.

Table 1: Non-Trading Days for AGP

Public holiday	2022
Boxing Day	Monday 26 December
Christmas Day	Tuesday 27 December

The trading hours for AGP on any standard Trading Day are as specified in the contract specifications.

There will be no T+1 Session for AGP on the non-LBMA Silver Publication Day or the previous Trading Day of a non-LBMA Silver Publication Day (as listed in Table 1). The non-standard trading hours for AGP prior to and after a non-LBMA Silver Publication Day will be as follows:

¹ LBMA Silver Price Publication Day means a 24-hour day, on all days except Saturdays, Sundays and days which have been established by ICE Benchmark Association (“IBA”) to be a non-publishing day, such days to be determined by IBA from time to time and as published on IBA’s website

Table 2: Non-standard Trading Hours for AGP

Date	Trading Hours for AGP
Last Trading Day before the non-LBMA Silver Publication Day	<u>T Session:</u> 06:55hr - 06:59hr (Pre-opening Session) 06:59hr - 07:00hr (Opening Match Session) 07:00hr - 18:00hr (Day Session) <u>There will be no T+1 Session.</u>
Non-LBMA Silver Publication Day	<u>No Trading</u>
First Trading Day after the non-LBMA Silver Publication Day	<u>T Session:</u> 06:55hr - 06:59hr (Pre-opening Session) 06:59hr - 07:00hr (Opening Match Session) 07:00hr - 18:00hr (Day Session) <u>T+1 Session:</u> 20:25hr - 20:29hr (Pre-opening Session) 20:29hr - 20:30hr (Opening Match Session) 20:30hr - 05:00hr (Night Session)

(3) DAILY SETTLEMENT PRICE

The Daily Settlement Price of a given day shall be equal to LBMA Silver Price published by ICE Benchmark Administration Limited (IBA). The Daily Settlement Price shall be rounded to the nearest US \$0.20/kilogram.

(4) FINAL SETTLEMENT PRICE

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

(5) ROLLOVER FEE

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

The formula is as follows:

$$\text{Rollover Fee} = \frac{\text{No. of Open Position Contracts} \times \text{Contract Size} \times \text{DSP} \times \text{Rollover Rate}}{\text{Total Number of Days in a Year}}$$

Where:

DSP = Daily Settlement Price
Total Number of Days in a Year = 365

The Rollover Rate used to calculate the Rollover Fees will be published on the APEX website.

(6) PRICE LIMITS

The price limit shall be +/-15% of previous Trading Day's Daily Settlement Price.

(7) BLOCK TRADE

Members and Inter-Dealers Brokers who intend to execute and report block trades for AGP 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 AGP may only take place during the following Block Trade timings:

Session	Screen Trade Timing	Block Trade Timing
Night Session / 1 st Session (T + 1)	20:30hr – 05:00hr (T+1)	20:30hr – 05:00hr (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 AGP is 50 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 14 Sep 2022.

Price Scanning Ranges (Outright Margin Rates)

Product Name	Product Code	Combined Commodity Code	Margin Rate
APEX Silver Perpetual Futures Contract	AGP	AGP	USD 165

Inter-Commodity Spread Margin Rates and Charges

Inter-commodity Spread	Spread Credit	Delta Ratio	Margin Rate
AUP:AGP	53%	1:1	USD 145

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.

(9) REPORTABLE THRESHOLD

The reportable threshold for AGP is as follows:

Product	Reportable Threshold
APEX Silver Perpetual Futures Contract	1,000 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 AGP are as follows:

1. Screen Trade Fees

Fee Type	Fee (USD)
Trading Fee	0.09/lot
Clearing Fee	0.03/lot

2. Block Trade Fees

Fee Type	Fee (USD)
Trading Fee	No Charge
Clearing Fee	0.12/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 and the relevant disclaimers and information relating to the LBMA Silver Price, please refer to APEX website at:

https://www.asiapacificex.com/?p=silver_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*							
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	AGP	25	6000	Hedging /Arbitrage/ Speculation
2	A3001_CO_3101	DEF123	DEF Company	ACRA Bizfile	1234567	AGP	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.