

BURSA MALAYSIA DERIVATIVES BERHAD

Date : 14 February 2018

Trading Participant Circular : 02/2018

AMENDMENTS TO THE RULES OF BURSA MALAYSIA DERIVATIVES BERHAD (“RULES OF BURSA DERIVATIVES”) IN RELATION TO THE REVISION TO THE RINGGIT MALAYSIA DENOMINATED CRUDE PALM OIL FUTURES (“FCPO”) CONTRACT AND ITS RELATED CONTRACTS

1. INTRODUCTION

- 1.1 Bursa Malaysia Derivatives Berhad (the “**Exchange**”) has revised the contract specifications of the FCPO Contract and its related contracts. The revisions include changes to the trading hours, tenure of contract months and position limits of the FCPO Contract.
- 1.2 The amendments are detailed in paragraphs 2, 3 and 4 below.

2. AMENDMENTS TO THE RULES OF BURSA DERIVATIVES

- 2.1 The salient amendments are as follows:
- (a) the second trading session for the FCPO, Option on Ringgit Malaysia Denominated Crude Palm Oil Futures (“**OCPO**”) and USD Crude Palm Oil Futures (“**FUPO**”) Contracts will be lengthened by 30 minutes, i.e. the session will commence at 1430 hours (Malaysia time) instead of 1500 hours (Malaysia time); and
 - (b) the tenure for the contract months for the FCPO Contract is extended from 6 months of serial months, followed by alternate months up to 24 months ahead, to 1 year of serial months, followed by alternate months up to 36 months ahead. The tenure of contract months for the OCPO Contract is also amended to be consistent with the amendments to the FCPO Contract.
- 2.2 The amendments to the Rules of Bursa Derivatives are set out in **Annexure 1**.

3. AMENDMENTS TO DIRECTIVE

- 3.1 Schedule 1 of Directive No. 613-001 (Directive on Position Limits and Exercise Limits) is amended to increase the position limits for the FCPO and OCPO Contracts. The FCPO Contract’s position limit is increased from 15,000 Contracts to 30,000 Contracts (for all contract months combined) and from 800 Contracts to 1,500 Contracts (for spot month) and from 10,000 Contracts to 20,000 Contracts (for any one contract month, except for spot month).

3.2 Similarly for the OCPO Contract, its position limits is increased from 15,000 Contracts to 30,000 Contracts (for all contract months combined) and from 10,000 Contracts to 20,000 Contracts (for single month).

3.3 The amendments to Directive No. 613-001 are set out in **Annexure 2**.

4. AMENDMENTS TO THE TRADING MANUAL

4.1 The Trading Manual is amended to reflect the change in trading hours arising from the extended afternoon session for the FCPO, OCPO and FUPO Contracts. The amendments are in section 12.3.

4.2 The updated version of the Trading Manual is attached here as **Annexure 3**.

5. EFFECTIVE DATE

The amendments to the Rules of Bursa Derivatives, Directive No. 613-001 and the Trading Manual as set out in paragraphs 2, 3 and 4 will take effect on **26 February 2018**.

6. CONTACT PERSON

In the event of any queries in relation to this circular, please contact the following person:

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Regulation