

Circular No.: PMEX/MKT, BD&CSS/2017/16

October 03, 2017

Listing of PMEX Futures Contracts

PMEX is pleased to inform you that the following Futures Contracts have been listed at the Exchange and will be made available for trading from October 04, 2017:

S. No.	Name of Contract	Contract Symbol	Fees Structure (inclusive of PMEX, SECP and IPF) per lot
1	PMEX Silver (5,000 Ounces) Futures Contract	SL5000OZ	496.25
2	PMEX Copper (25,000 Pounds) Futures Contract	COPPER25K	661.25
3	PMEX Crude Oil (1,000 barrels) Futures Contract	CRUDE1000	496.25
4	PMEX Brent Crude Oil (1,000 barrels) Futures Contract	BRENT1000	496.25

The approved contract specifications are enclosed as Annexure A.

For further information and assistance, please feel free to contact our Customer Support Services by phone on 021-111-623-623, 0300-8213-324 and 0321-8756-623 or by email at support@pmex.com.pk.

Best regards,



Nauman Lakhani
Head of Marketing, Business Development
& Customer Support Services

Annexure A

PMEX Silver (5000 Oz) Futures Contract Specifications		
1	Trading Hours	<p>Hours of Trading in the PMEX Silver (5000 Oz) Future Contract shall be Monday to Friday (excluding Exchange specified holidays) as given below or as specified by the Exchange from time to time in the ETS:</p> <p>Normal Trading Session 05:00 am to 02:00 am PST</p> <p>On the last trading day of a contract normal trading will end at 4:00 pm or as specified by the Exchange from time to time in the ETS.</p>
2	Unit of Trading	5000 Troy Ounces
3	Trading System	PMEX ETS
4	Price Quotation	US dollars per troy Ounce, up to three decimal places.
5	Tick Size/ Minimum Price Fluctuation	\$0.001 per troy Ounce
6	Price Limit	As specified in the ETS or made available on the Exchange website from time to time.
7	Contract Months	The Exchange may make available contracts for the month of January, March, May, July, September and December. The additional months would be made available upon the need of the market and will be notified by the Exchange in the ETS.
8	Contract Period	Each contract would be made available at least one month before its expiry.
9	Last Trading Day (Contract Expiry Day)	Trading terminates at the close of business on the third last business day of the month preceding the named contract month or on a day specified by the Exchange as a last trading day in the ETS.
10	Holiday Convention	In case the last trading falls on an exchange holiday, previous day will be designated as last trading day.
11	Settlement Mode	Cash Settlement in Pakistani Rupees.
12	Daily Settlement Price	<p>Exchange will determine daily settlement price by using one of the following methods:</p> <ul style="list-style-type: none"> • By taking average of best bid and offer prices at the time of closing. • The last publically available traded price of the corresponding month CME (COMEX) Silver Futures Contract • the last traded price; or • as per any other methodology specified through circular by the Exchange.
13	Final Settlement Price	Final settlement price will be the daily settlement price on the Last Trading day of the contract or as specified by the Exchange through a circular.
14	Daily Settlement amount	Daily Settlement of PMEX Silver (5,000 Ounces) Futures Contract will result in a cash settlement amount in Rupees. The daily cash settlement amount shall be the day's mark-to-market profit or loss amount in Rupees based on the Daily Settlement Price of the PMEX Silver (5,000 Ounces) Futures Contract. The mark-to-market P&L will be converted into PKR at USDPKR Exchange rate notified by the State Bank of Pakistan or in the manner as specified by the Exchange through a circular.



PMEX Silver (5000 Oz) Futures Contract Specifications		
15	Final Settlement Amount	Final Settlement of PMEX Silver (5,000 Ounces) Futures Contract will result in the delivery of a cash settlement amount in Rupees on the Final Settlement Date. The final cash settlement amount shall be the Last Trading Day's mark-to-market profit or loss amount in Rupees based on the Final Settlement Price of the PMEX Silver (5,000 Ounces) Futures Contract. The mark-to-market P&L will be converted into PKR at USDPKR Exchange rate notified by the State Bank of Pakistan or in the manner as specified by the Exchange through a circular.
16	Position Limit	2000 contracts per Broker (including proprietary and all its clients) 100 contracts per Client of Broker.
17	Margin Requirement	All Margins will be collected in Pakistani Rupees.
18	Margins	Initial Margin will be based on VaR methodology at 99% Confidence Interval over a 1-day Time Horizon, rounded up to the nearest 0.25% or as specified by the exchange from time to time in the ETS.
19	Special Margin	Exchange reserves the right to impose special margins for short duration of time during periods of increased or excessive volatility. Special margins will be computed by increasing the look-ahead period, reducing sample size, or by changing any other parameters used in the VaR methodology.
20	Further Regulations	This contract shall be subject, where applicable, to the Regulations of the Pakistan Mercantile Exchange Limited (formerly National Commodity Exchange Limited).



PMEX Copper (25,000 pounds) Futures Contract Specifications		
1	Trading Hours	Hours of Trading in the PMEX Copper (25,000 pounds) Futures Contract shall be Monday to Friday (excluding Exchange specified holidays) as given below or as specified by the Exchange from time to time in the ETS: Normal Trading Session 05:00 am to 02:00 am PST On the Last Trading Day of a contract normal trading will end at 4:00 pm or as specified by the Exchange from time to time in the ETS.
2	Unit of Trading	25,000 Pounds
3	Trading System	PMEX ETS
4	Price Quotation	US \$ per pound up to four decimal places.
5	Tick size/ Minimum Fluctuation	\$0.0001 per pound
6	Price Limit	As determined and specified in the ETS or made available on the Exchange website from time to time.
7	Contract Months	The Exchange may make available contracts for the month of March, July, September and December. The additional months would be made available upon the need of the market and will be notified by the Exchange in the ETS.
8	Contract Period	Each contract would be made available at least one month before its expiry.
9	Last Trading Day (Contract Expiry Day)	Trading terminates at the close of business on the third last business day of the month preceding the named contract month or on a day specified by the Exchange as a Last Trading Day in the ETS.
10	Holiday Convention	In case the Last Trading Day falls on an Exchange holiday, previous day will be designated as last trading day.
11	Settlement Mode	Cash Settlement in Pakistani Rupees.
12	Daily Settlement Price	Exchange will determine daily settlement price by using one of the following methods: <ul style="list-style-type: none"> • By taking average of best bid and offer prices at the time of closing. • The last publically available traded price of the corresponding month CME Copper Futures Contract • the last traded price; or • as per any other methodology specified through circular by the Exchange.
13	Final Settlement Price	Final settlement price will be the daily settlement price on the Last Trading day of the contract or as specified by the Exchange through a circular.
14	Daily Settlement Amount	Daily Settlement of PMEX Copper (25,000 pounds) Futures Contract will result in a cash settlement amount in Rupees. The daily cash settlement amount shall be the day's mark-to-market profit or loss amount in Rupees based on the Daily Settlement Price of the PMEX Copper (25,000 pounds) Futures Contract. The mark-to-market P&L will be converted into PKR at USDPKR Exchange rate notified by the State Bank of Pakistan or in the manner as specified by the Exchange through a circular.



PMEX Copper (25,000 pounds) Futures Contract Specifications		
15	Final Settlement Amount	Final Settlement of PMEX Copper (25,000 pounds) Futures Contract will result in the delivery of a cash settlement amount in Rupees on the Final Settlement Date. The cash settlement amount on the Final Settlement Date shall be the last trading day's mark-to-market profit or loss amount in Rupees based on the Final Settlement Price of the PMEX Copper (25,000 pounds) Futures Contract. The mark-to-market P&L will be converted into PKR at USDPKR Exchange rate notified by the State Bank of Pakistan or in the manner as specified by the Exchange through a circular.
16	Position Limits	1,000 contracts per Broker (including proprietary and all its clients) 50 contracts per Client of Broker.
17	Margin Requirement	All Margins will be collected in Pakistani Rupees.
18	Margins	Initial Margin will be based on VaR methodology at 99% Confidence Interval over a 1-day Time Horizon, rounded up to the nearest 0.25% or as specified by the Exchange from time to time.
19	Special Margin	Exchange reserves the right to impose special margins for short duration of time during periods of increased or excessive volatility. Special margins will be computed by increasing the look-ahead period, reducing sample size, or by changing any other parameters used in the VaR methodology.
20	Further Regulations	This contract shall be subject, where applicable, to the Regulations of the Pakistan Mercantile Exchange Limited.




PMEX Crude Oil (1000 barrels) Futures Contract Specifications		
1	Trading hours	<p>Hours of Trading in the PMEX Crude Oil (1000 barrels) Futures Contract shall be Monday to Friday (excluding Exchange specified holidays) as given below or as specified by the Exchange from time to time in the ETS:</p> <p>Normal Trading Hours: 05:00 am to 02:00 am PST</p> <p>On the last trading day of a contract normal trading will end at 4:00 pm or as specified by the Exchange from time to time in the ETS.</p>
2	Unit of Trading	1000 barrels
3	Trading System	PMEX ETS
4	Price Quotation	US dollars per barrel, up to two decimal places.
5	Tick size/Minimum Price Fluctuation	\$ 0.01 (1 cent)
6	Price Limit	As determined and specified in the ETS or made available on the Exchange website from time to time.
7	Contract Months	Contracts would be made available for the first three calendar months. However, Exchange may skip any month and can list other months contracts depending on the needs of the market.
8	Contract Period	Each contract would be made available at least one month before its expiry.
9	Last Trading Day (Contract Expiry Day)	Contracts will expire on the close of 4th business day prior to the 25 th calendar day of the month preceding the delivery month or on a day specified by the Exchange as last trading day.
10	Holiday Convention	In case Last Trading Day falls on an Exchange holiday, previous business day will be designated as Last Trading Day.
11	Settlement Mode	Cash Settlement in Pakistani Rupees.
12	Daily Settlement Price	<p>Exchange will determine daily settlement price by using one of the following methods:</p> <ul style="list-style-type: none"> • By taking average of best bid and offer prices at the time of closing. • The last publically available traded price of the corresponding month CME (NYMEX) Crude Oil Futures Contract • the last traded price; or • as per any other methodology specified through circular by the Exchange.
13	Final Settlement Price	Final settlement price will be the daily settlement price on the Last Trading day of the contract or as specified by the Exchange through a circular.
14	Daily Settlement Amount	Daily Settlement of PMEX Crude Oil (1000 barrels) Futures Contract will result in a cash settlement amount in Rupees. The daily cash settlement amount shall be the day's mark-to-market profit or loss amount in Rupees based on the Daily Settlement Price of the PMEX Crude Oil(1000 barrels) Futures Contract. The mark-to-market P&L will be converted into PKR at the USDPKR Exchange rate notified by the State Bank of Pakistan or in the manner as specified by the Exchange through a circular.
15	Final Settlement Amount	Final Settlement of PMEX Crude Oil (1000 barrels) Futures Contract will result in the delivery of a cash settlement amount in Rupees on the Final Settlement Date. The cash settlement amount on the Final Settlement Date shall be the Last Trading Day's mark-to-market profit or loss amount in Rupees based on the Final Settlement Price of the PMEX Crude Oil (1000 barrels) Futures Contract. The mark-to-market P&L will be converted into PKR at USDPKR Exchange rate notified by the State Bank of Pakistan or in the manner as specified by the Exchange through a circular.



PMEX Crude Oil (1000 barrels) Futures Contract Specifications

16	Position Limit	2000 contracts per Broker (including proprietary and all its clients) 100 contracts per Client of Broker.
17	Margin Requirement	All Margins will be collected in Pakistani Rupees.
18	Initial Margin	Initial Margin will be based on VaR methodology at 99% confidence interval over a 1-day Time Horizon, rounded up to the nearest 0.25% or as specified by the Exchange.
19	Special Margin	Exchange reserves the right to impose special margins during periods of increased or excessive volatility. Special margins will be computed by increasing the look-ahead period, reducing sample size, or by changing any other parameters used in the VaR methodology.
20	Further Regulations	This contract shall be subject, where applicable, to the Regulations of the Pakistan Mercantile Exchange.

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PMEX Brent Crude Oil (1000 Barrel) Futures Contract Specifications		
1	Trading Hours	<p>Hours of Trading in the PMEX Brent Crude Oil (100 Barrel) Futures Contract shall be Monday to Friday (excluding Exchange specified holidays) as given below or as specified by the Exchange from time to time through circular:</p> <p>Normal Trading Session: 05:00 am to 02:00 am PST</p> <p>On the last trading day of a contract normal trading will end at 4:00 pm or as specified by the Exchange from time to time in the ETS.</p>
2	Unit of Trading	1000 barrels
3	Trading System	PMEX ETS
4	Price Quotation	US dollars per barrel, up to two decimal places.
5	Tick size/ Minimum Price Fluctuation	\$ 0.01 per barrel
6	Price Limit	As determined and specified in the ETS or made available on the Exchange website from time to time.
7	Contract Months	Contracts would be made available for the first three calendar months. However, Exchange may skip any month and can list other month's contracts depending on the needs of the market.
8	Contract Period	Each contract would be made available at least one month before its expiry.
9	Last Trading Day (Contract Expiry Day)	<p>The last trading day will be:</p> <ol style="list-style-type: none"> 1. The second last business day of the second month preceding the relevant contract month (e.g. the March contract month will expire on the second last business day of January). 2. Or on a day specified by the Exchange as a Last Trading Day in the ETS.
10	Holiday Convention	In case the last trading falls on an Exchange holiday, previous day will be designated as last trading day.
11	Settlement Mode	Cash Settlement in Pakistani Rupees.
12	Daily Settlement Price	<p>Exchange will determine daily settlement price by using one of the following methods:</p> <ul style="list-style-type: none"> • By taking average of best bid and offer prices at the time of closing. • The last publically available traded price of the corresponding month ICE Brent Crude Futures Contract • the last traded price; or • as per any other methodology specified through circular by the Exchange.
13	Final Settlement Price	Final settlement price will be the daily settlement price on the Last Trading day of the contract or as specified by the Exchange through a circular.
14	Daily Settlement Amount	Daily Settlement of PMEX Brent Crude Oil (1000 Barrel) Futures Contract will result in a cash settlement amount in Rupees. The daily cash settlement amount shall be the day's mark-to-market profit or loss amount in Rupees based on the Daily Settlement Price of the PMEX Brent Crude Oil (1000 barrel) futures Contract. The mark-to-market P&L will be converted into PKR at the USDPKR Exchange rate notified by the State Bank of Pakistan or in the manner as specified by the Exchange through a circular.



PMEX Brent Crude Oil (1000 Barrel) Futures Contract Specifications		
15	Final Settlement	Final Settlement of PMEX Brent Crude Oil (1000 barrel) Futures Contract will result in the delivery of a cash settlement amount in Rupees on the Final Settlement Date. The cash settlement amount on the Final Settlement Date shall be the Last Trading Day's mark-to-market profit or loss amount in Rupees based on the Final Settlement Price of the PMEX Brent Crude Oil (1000 barrel) Futures Contract. The mark-to-market P&L will be converted into PKR at USDPKR Exchange rate notified by the State Bank of Pakistan or in the manner as specified by the Exchange through a circular.
16	Position Limits	2,000 contracts per Broker (including proprietary and all its clients) 100 contracts per Client of Broker.
17	Margin Requirement	All Margins will be collected in Pakistani Rupees.
18	Margins	Minimum Initial Margin will be based on VaR methodology at 99% confidence interval over a 1-day Time Horizon or as specified by the Exchange through circular.
19	Special Margin	Exchange reserves the right to impose special margins during periods of increased or excessive volatility. Special margins will be computed by increasing the look-ahead period, reducing sample size, or by changing any other parameters used in the VaR methodology.
20	Further Regulations	This contract shall be subject to the regulations of the Pakistan Mercantile Exchange Limited.

