



Circular no.: 019/2015/T&S/CoM/108

April 20, 2015

**Introduction of Silver Futures Contract expiring on 28<sup>th</sup> September 2015**

In terms of the provisions of the Rules of the Exchange, Members of the Exchange are informed that:

As per the contract specifications of Silver Futures contract notified vide Circular no.: 006/2010/T&S/CoM/2 dated 11<sup>th</sup> October 2010, the Exchange will introduce on 27<sup>th</sup> April 2015, a cash settled Silver Futures contract expiring on 28<sup>th</sup> September 2015.

The contract specifications and trading parameters of the Silver Futures contract are as specified in the enclosed Annexure and shall be binding on all Members and Constituents trading through them.

Members are requested to take note of the same and ensure compliance.

For and on behalf of

**Bourse Africa Limited**

Stanley Verghese

**Senior Vice President**

For any clarifications, please contact Mr. Vipul Vaishnav or Mr. Vinesh Caumul on (+230)4040000 or send email at [trading@bourseafrica.com](mailto:trading@bourseafrica.com).

- *SILVER Futures*

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| <b>Contract Type</b>                      | Cash settled Futures   |
| <b>Product</b>                            | Silver Futures contract  |
| <b>Symbol</b>                             | SILVER   |
| <b>Expiry</b>                             | 28SEP2015  |
| <b>Instrument Type</b>                    | FUTCOM   |
| <b>Contract Size</b>                      | 1,000 Troy Ounce   |
| <b>Contract available for Trading</b>     |  |
| <b>September 2015 contract</b>            | 27 <sup>th</sup> April 2015 to 28 <sup>th</sup> September 2015   |
| <b>Grade/Standards/Quality</b>            | Not less than 0.999 fineness   |
| <b>Base Price</b>                         | Price of an identical maturity international Futures contract on SILVER will be used as base price for a newly created contract.<br><br>For all other existing SILVER contracts, previous day close price on the respective contracts will be used as base price.  |
| <b>Minimum Price Movement (Tick Size)</b> | Half cent / Troy Ounce equivalent to USD 5 / contract  |
| <b>Price Quotation</b>                    | U.S. Cents per Troy Ounce, quoted up to the second decimal place.  |
| <b>Daily Price Limit</b>                  | Every contract will have an initial Daily Price Range (DPR) of +/- 4% of the previous day close price / base price.<br><br>Members may please refer to Circular No.022/2010/T&S/CoM/5 dated December 09, 2010 for further details on procedure for relaxation of the Daily Price Range (DPR) of contracts. |
| <b>Initial margin</b>                     | 4% or the margin level determined based on SPAN, whichever is maximum  |
| <b>Special Margin</b>                     | In the presence of additional volatility, a special margin as deemed suitable by the exchange would be imposed on all open positions.  |
| <b>Settlement</b>                         | Cash settlement  |
| <b>Position Limits</b>                    | 1,000 Contracts or 5% of the market wide open interest at the client level and 5,000 Contracts or 10% of the market wide open interest at the member level, whichever is higher, across all the expiries.  |
| <b>Funds Pay In</b>                       | First pay in run to be conducted at 08:30 Hrs. (04:30 Hrs. GMT), followed by the second run at 11:00 Hrs. Mauritius Time (07:00 Hrs. GMT) on T+1 day, subject to revision. Any revision of these times will be conveyed to the Members in Clearing and Settlement Circulars.                               |
| <b>Funds Pay Out</b>                      | 13:00 Hrs. Mauritius Time (09:00 Hrs. GMT) on T+1 day. Any revision of these times will be conveyed to the Members in Clearing and Settlement Circulars.   |

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| <p><b>Daily Settlement Price &amp; Final Settlement Price Computation</b></p> | <p>Daily Settlement Price will be the same as close price on the Exchange and will be computed as per the methodology determined by the Exchange. Members may refer to the Trading Circular No. 026/2013/T&amp;S/CoM/58 for more details.</p> <p>Final Settlement Price will be determined on day of expiry of the contract by taking the publicly available last traded price of a Silver Futures contract, identical in maturity and quality specifications to the Silver contract from the international markets taken at the end of trading hours on the Exchange.</p> <p>The Daily and the Final Settlement prices so computed will be suitably rounded off to the nearest multiple of the tick size of the contracts.</p> |
| <p><b>Trading hours</b></p>   | <p>Trading on Bourse Africa Limited will be from 10:00 Hrs. to 22:00 Hrs. Mauritius Time (06:00 Hrs. till 18:00 Hrs. GMT), Monday to Friday.</p> <p>Any Trading Holidays / Change in Trading Hours will be communicated to Market Participants through Trading circulars from time to time.</p> <p>Members may please refer to circular No. 066/2014/T&amp;S/GEN/17 dated December 11, 2014 for Trading Holidays during the calendar Year 2015. Any additional Trading Holiday will be communicated to Market Participants through Trading circulars from as applicable.</p>  |
| <p><b>Last Trading Day</b></p>  | <p>September 2015 contract – September 28, 2015 (coinciding with the expiry schedule of the leading international Silver Futures contracts)</p>   |