

OCPO CONTRACT SPECIFICATIONS



Contract Code

Options on Crude Palm Oil Futures (OCPO)
Calls: C OCPO
Puts: P OCPO

Type

European Options

Underlying Instrument

Crude Palm Oil Futures Contract (FCPO)

Contract Size

One FCPO contract (of a specified month) of 25 metric tons (MT)

Tick Size

RM0.50 per MT (RM12.50 per contract)

Contract Months

Monthly (list the 3rd to 12th forward months) then alternate months going out 36 months of the FCPO contract.
The first spot option contract month will be trading the 3rd month FCPO contract.

Trading Hours

First trading session:
Malaysian time 10:30 am to 12:30 pm

Second trading session:
Malaysian time 2:30 pm to 6:00 pm

Strike Price Intervals

Trading shall be conducted for put and call options with striking prices in integral multiples of RM50 per MT.
There will be at least 11 strike prices (five are in-the-money, one is at-the-money and five are out-of-the-money).

Daily Price Limit

There will be no daily price limits.

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Exercise

In the absence of contrary instructions delivered to the Clearing House, an option that is in-the money at expiration shall be automatically exercised. Exercise results in a long 3rd month FCPO position, which corresponds with the option's contract month for a call buyer or a put seller, and a short 3rd month FCPO position for a put buyer or a call seller.

Expiration

Unexercised Crude Palm Oil futures options shall expire at 6.00 pm on the last day of trading.

Last Trading Day

The spot options will cease trading at 6.00 pm on the 10th day of every month, or the preceding business day if the 10th is a non-business day. The futures position will be delivered at end-of-day process and will be available for trading on the next day.

Speculative Position Limit

20,000 futures equivalent contracts net long or net short for any single month.
30,000 futures equivalent contracts for all contract months combined.

** Speculative Position Limits are combined together with the FCPO contract.*