

CRUDE PALM OIL FUTURES (FCPO)

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CONTRACT SPECIFICATIONS

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Photo used is courtesy of Malaysia Palm Oil Council



FCPO CONTRACT SPECIFICATIONS

CONTRACT CODE

FCPO

UNDERLYING INSTRUMENT

Crude Palm Oil

CONTRACT SIZE

25 metric tons

MINIMUM PRICE FLUCTUATION

RM1.00 per metric ton

CONTRACT MONTHS

Spot month and the next 5 succeeding months, and thereafter, alternate months up to 24 months ahead.

TRADING HOURS

First trading session:

Malaysian time 10:30 a.m. to 12:30 p.m.

Second trading session:

Malaysian time 3:00 p.m. to 6:00 p.m.

DAILY PRICE LIMIT

With the exception of trades in the spot month, trades for future delivery of Crude Palm Oil in any month shall not be made during any one Business Day, at prices varying more than 10% above or below the settlement prices of the preceding Business Day ("the 10% Limit") except as provided below.

When at least 3 non-spot month contracts are trading at the 10% limit, the Exchange shall announce a 10-minute cooling off period ("the Cooling Off Period") for all contract months (except the spot month) during which trading shall only take place within the 10% Limit. Following the Cooling Off Period, all contract months shall be specified as interrupted for a period of 5 minutes, after which the prices traded for all contract months (except the spot month) shall not vary more than 15% above or below the settlement prices of the preceding Business Day ("the 15% Limit").

If the 10% Limit is triggered less than 30 minutes before the end of the first trading session, the following shall apply:-

- The contract months shall not be specified as interrupted;
- The 10% Limit shall be applied to all contract months (except the spot month) for the rest of the first trading session; and
- The 15% Limit shall be applied for all contract months (except the spot month) during the second trading session.

If the 10% Limit is triggered less than 30 minutes before the end of the second trading session, the 10% Limit shall be applied to all contract months (except the spot month) for the rest of the Business Day.

SPECULATIVE POSITION LIMIT

500 contracts net long or net short for the spot month.

5,000 contracts for any single contract month except for the spot month.

8,000 contracts for all contract months combined.

FINAL TRADING DAY AND MATURITY DATE

Contract expires at noon on the 15th day of the spot month, or if the 15th is a non-market day, the preceding Business Day.

TENDER PERIOD

1st Business Day to the 20th Business Day of the delivery month, or if the 20th is a non-market day, the preceding Business Day.

CONTRACT GRADE AND DELIVERY POINTS

Crude Palm Oil of good merchantable quality, in bulk, unbleached, in Port Tank installations approved by the Exchange located at the option of the seller at Port Kelang, Penang / Butterworth and Pasir Gudang (Johor).

Free Fatty Acids (FFA) of palm oil delivered into Port Tank Installations shall not exceed 4% and from Port Tank Installations shall not exceed 5%.

Moisture and impurities shall not exceed 0.25%.

Deterioration of Bleachability Index (DOBI) value of palm oil delivered into Port Tank Installations shall be at a minimum of 2.5 and of palm oil delivered from Port Tank Installations shall be at a minimum of 2.31.

DELIVERABLE UNIT

25 metric tons, plus or minus not more than 2%.

Settlement of weight differences shall be based on the simple average of the daily Settlement Prices of the delivery month from:

- The 1st Business Day of the delivery month of the day of tender, if the tender is made before the last trading day of the delivery month; or
- The 1st Business Day of the delivery month to the Business Day immediately preceding the last day of trading, if the tender is made on the last trading day or thereafter.