

# Options on Crude Palm Oil Futures (OCPO)

## Contract Specifications

CONTRACT CODE	Option on Ringgit Malaysia Denominated Crude Palm Oil Futures Calls: C OCPO Puts: P OCPO
TYPE	European Options
UNDERLYING INSTRUMENT	Ringgit Malaysia Denominated Crude Palm Oil Futures (FCPO) Contract
CONTRACT SIZE	1 FCPO Contract
TICK SIZE	MYR0.50 per metric ton
CONTRACT MONTHS	<ul style="list-style-type: none"><li>• Spot month and the next 9 succeeding months, followed by alternate months i.e. odd months up to 36 months ahead</li><li>• The 1<sup>st</sup> OCPO Contract will be trading the 3<sup>rd</sup> month FCPO Contract</li></ul>
TRADING HOURS	Monday to Friday (Malaysia Time) <ul style="list-style-type: none"><li>• First trading session: 0900 - 1230 hours</li><li>• Second trading session: 1430 - 1800 hours</li></ul>
STRIKE PRICE INTERVALS	At least 11 Exercise Prices ( <i>5 are in-the-money, 1 is at-the-money and 5 are out-of-money</i> ) will be set at intervals of MYR50.00 per metric ton for all contract months
DAILY PRICE LIMITS	There will be no daily price limits

## EXERCISE

- European style exercise
- An Option is in-the-money if the Daily Settlement Price of the underlying Crude Palm Oil Futures Contract on the Expiration Date is above the Exercise Price of the Option (*in the case of a Call Option*), or below the Exercise Price of the Option (*in the case of a Put Option*)

## SETTLEMENT

Positions in the underlying FCPO Contract, as a result of the Exercise of an Option, will be assumed by the parties to the Option on the 1<sup>st</sup> Business Day after the Final Trading Day

## FINAL TRADING DAY AND EXPIRATION DATE

- 10<sup>th</sup> day 2 months prior to the spot month of the underlying FCPO Contract or, if the 10<sup>th</sup> day is a non-Business Day, on the last Business Day preceding the 10<sup>th</sup> day
- Trading in the expiring series of the Contract ceases at 1800 hours (*Malaysia Time*) on the Final Trading 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