

SET50 Index Options

SET50 Index Options is a contract written by a seller that conveys to the buyer the right — but not the obligation — to buy (in the case of a *call* option) or to sell (in the case of a *put* option) a particular asset, such as a piece of property, or shares of stock or some other underlying security, such as, among others, a futures contract. In return for granting the option, the seller collects a payment (*the premium*) from the buyer.

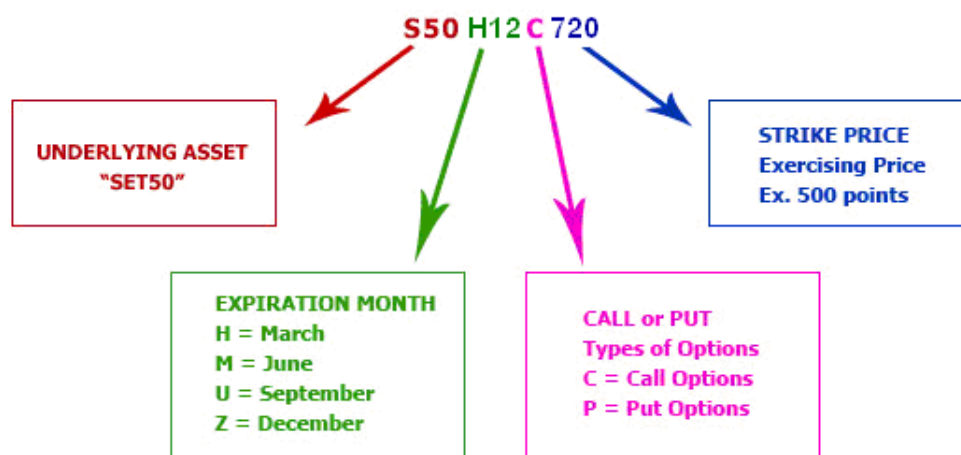
Type of SET50 Index Options

SET50 Index Options can be divided into 2 categorized, including SET50 Index Call Options and SET50 Index Put Options

	Call Options	Put Options
Buyer Long Position	The right to buy the underlying asset at the specified price and amount.	The right to sell the underlying asset at the specified price and amount.
Seller Short Position	The obligation to sell the underlying asset at the exercise price.	The obligation to buy the underlying asset from the buyer in case of the right is exercised.

Symbol of SET50 Index Options conducted from:

- Underlying Asset The underlying asset is SET50 Index
- Expiration Month The delivery month, including March, June, September and December
- Call or Put Type of options holding.
- Strike Price The price at which holder can exercise his/her right.



From the example above, S50H12C720 is equivalent to SET50 Call Option expired in March 2012 with exercise price equals to 720 points. The first 6 abbreviated characters are similar to SET50 Futures, however for SET50 Options, the type of options and the strike price are being added at the end.

Contract Specification of SET50 Index Options

Specification	Detail								
Underlying Asset	SET50 Index								
Tick Size	0.1 index point								
Multiplier	200 Baht per 1 point of index								
Expiration Month	March (H), June (M), September (U) and December (Z) with no longer than 4 quarter								
Trading Session	<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%;">Pre-open</td> <td style="text-align: right;">9.15 – 9.45</td> </tr> <tr> <td>Morning Session</td> <td style="text-align: right;">9.45 – 12.30</td> </tr> <tr> <td>Pre-open</td> <td style="text-align: right;">14.00 – 14.30</td> </tr> <tr> <td>Afternoon Session</td> <td style="text-align: right;">14.30 – 16.55</td> </tr> </table>	Pre-open	9.15 – 9.45	Morning Session	9.45 – 12.30	Pre-open	14.00 – 14.30	Afternoon Session	14.30 – 16.55
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Afternoon Session	14.30 – 16.55								
Strike Price Interval	<p>10 points at the beginning of each day</p> <ul style="list-style-type: none"> ● 1 series at at-the-money ● 5 series at in-the-money ● 5 series at out-of-the-money <p>A new series will be added so that there are at least 5 in-the-money series and 5 out-of-the-money series</p>								
Price Limit	±30% of the previous day's settlement price without a 10% floor								

Specification	Detail
Daily Settlement Price	The last 5 minutes of a trading session (16.50 – 16.55) using the average weighted price
Final Settlement Price	Weighted average price of SET50 Index during the last 15 minutes of trading including the closing price and cut off 3 highest, lowest price before rounding into 2 decimal
Settlement Method	By cash (Cash Settlement)
The Last Trading Day	The preceding working day before the last trading day for that particular maturity contract month, ending at 4.30 P.M. on the last trading day
Position Limit	Net position on futures contract related to SET50 Index Futures or other futures contract related to SET50 Index with <u>Equivalent Positions</u> in one contract month or every contract month combined no greater than 20,000 contracts
Large Position Report	A report must be made when a net position held in any series or the total holding of a call or put option exceeds 2,500 contracts Notice: The report to TFEX is needed for every trading day after the position possession meet the following condition by TFEX and will continue until the position possession is lower than the figure set by TFEX on the day after that
Margin Requirement Calculation	Standard Portfolio Analysis of Risk (SPAN)

SET50 Index Options Commission

Commission calculation has been counted from the first contract sequentially in a number of contracts per day. Classifying each trading order execution channel to the following;

Fee includes all charges, commission, trading fee, expenses related to Clearing Fee

No. of contract	Fee Charged (Marketing)	Fee Charged (Internet)
Contract No 1 – 25	85 THB	77 THB
Contract No 26 - 100	65 THB	59 THB
Contract No 101 – 500	45 THB	41 THB
Contract No 501 onward	35 THB	32 THB

Other fees

Type of Services	Commission (per contract)
Exercise	10 Baht
Non-Exercise	-
Deny	10 Baht
Assign	-
Non-Assign	-

Notice: Fee charged above has not yet include VAT7%