

Silver Futures

Derivatives Market is ready for trading “Silver Futures”, starting on Monday, 20 June, 2011.

Silver Futures, one of a derivatives product is an agreement between “buyer” and “seller” to buy or sell Silver in future which quote the silver price today but settlement in the future.

However, Silver Futures in TFEX trading implement cash settlement method with no need of physical delivery. For other specification, (e.g. a purity of silver or contract size) is a TFEX standard which known by “Contract Specification”. Then, the investor’s agreement is the Silver “Future Price” only.

Contract Specification of Silver Futures

Specification	Detail												
Underlying Asset	Silver bullion with a purity of 0.9999 or 99.9%												
Expiration Month	3 nearest even month: February, April, June, August, October and December with no greater than 3 closet contract or settlement month												
Trading Session	<table> <tbody> <tr> <td>Pre-open</td> <td>9.15 - 9.45</td> </tr> <tr> <td>Morning Session</td> <td>9.45 - 12.30</td> </tr> <tr> <td>Pre-open</td> <td>14.00 - 14.30</td> </tr> <tr> <td>Afternoon Session</td> <td>14.30 - 16.55</td> </tr> <tr> <td>Pre-open</td> <td>19.15 - 19.30</td> </tr> <tr> <td>Night Session</td> <td>19.30 - 22.30</td> </tr> </tbody> </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	Pre-open	19.15 - 19.30	Night Session	19.30 - 22.30
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Contract Size	Silver bullion 100 Troy Ounces												
Tick Size	1 Baht per Troy Ounce or equivalent to 100 Baht per 1 contract												
Daily Settlement Price	Weighted average price during the last 5 minutes (4.50 P.M. – 4.55 P.M.)												
Last Trading Day	The business day immediately proceeding the last business day of the contract month which will end trading at 16.55 P.M. for that particular contract month												
Position Limit	TFEX will announce the position limitation upon consideration periodically												

Specification	Detail
Large Trader Report	Net 1,000 contracts in any one month or all contract month combined
Price Limit	Initial price limit is $\pm 10\%$ from previous day settlement price. Should traded price reach the limit, trading will be halted for a certain period as announced by TFEX. After trading resumes, the price limit will be expanded by another $\pm 20\%$
Combination Order / Spread Order	+100 BHT from the difference of latest Daily Settlement Price of the nearest series comprised to be Combination Order
Final Settlement Price	<p>The basis of the London Silver Fixing Price announced by London Silver Market Fixing Limited on the last trading day and the foreign exchange rate for Baht to US dollars announced by TFEX on the last trading day. The formula for its calculation is as follow.</p> <p style="text-align: center;">London Silver Fixing * (THB/USD)</p> <ul style="list-style-type: none"> London Silver Fixing Price will be announced on 12.00 p.m. (London Time) or about 6 – 7 p.m.(Thailand Time) The exchange rate between Baht and US Dollar is the average price rate between bid and offer being announced by the commercial bank, using to calculate Final Settlement Price

Symbol for Silver Futures

- Rule : Underlying Asset / Expiration Month / Expiration Year
- EX : Silver Futures / June / 2012
- Symbol: SVM12

Margin Require of Silver Futures

Underlying		Retail			Institution		
		IM	MM	FM	IM	MM	FM
Silver	Outright	10,640	7,448	3,192	7,560	5,600	N/A
	Spread	2,660	1,862	798	1,890	1,400	N/A

Inter-Commodities Spread

Delta per Spread Ratio	Initial Margin (IM) before reduction	The amount of IM before reduction	Percentage of reduction	Actual IM after reduction
Gold 50 1 : Silver 6	IM of Gold 50 1 Contract + IM of Silver 6 Contract	130,340	70%	39,102
Gold10 5 : Silver 6	IM of Gold 10 5 Contract + IM of Silver 6 Contract	130,340	70%	39,102

Silver Futures 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	95 THB	86 THB
Contract No 26 - 100	75 THB	68 THB
Contract No 101 – 250	55 THB	50 THB
Contract No 251 onward	45 THB	41 THB

Notice: Fee charged above has not yet include VAT7%