

The SGX logo, consisting of the letters "SGX" in a bold, blue, sans-serif font, followed by a stylized flag icon with horizontal stripes in blue, yellow, and red.

Circular Derivatives

15 May 2018

Circular No. DC/AM – 27 of 2018

Margins for New SGX Freight Swaps/Futures and SGX MSCI Japan Index Futures (Trade at Index Close)

We refer to Circular DT/AM 34 of 2018 “Launch of New SGX Freight Swaps and Futures” and DT/AM 35 of 2018 “Launch of Trade at Index Close Functionality for SGX MSCI Japan Index Futures”. Margins for the following Futures Contracts (collectively, the “Contracts”), as prescribed in [Appendix](#), will be effective on **Monday, 21 May 2018**.

- (i) SGX Panamax Route P2E Forward Freight Agreement (“2E”),
- (ii) SGX Panamax Route P2E Time Charter Futures (“2EF”),
- (iii) SGX Baltic Capesize Voyage C7 Route Forward Freight Agreement (“C7”),
- (iv) SGX Baltic Capesize Voyage C7 Route Futures (“C7F”), and
- (v) SGX MSCI Japan Index Futures (Trade at Index Close) (“JPTI”).

The margins for the Contracts are also detailed in the [SGX-DC Margin Schedule](#) available on SGX website (www.sgx.com) under Clearing -> Derivatives -> Operational Information.

If you have any questions, please contact Mr Jerry Zhou (Tel: 6236-8161) of Risk Management, or email to margins@sgx.com.

Lee Chih-Wei
Senior Vice President
Risk Management

Appendix – Margins for New SGX Freight Contracts and SGX MSCI Japan Index Futures (Trade at Index Close)

1. Outright Margins

Contract Code	Contract Name	Currency	Tier	Contract Month (From)	Contract Month (To)	Maint. Margin	Initial Margin
JPTI	SGX MSCI Japan Index Futures (Trade at Index Close)	JPY	1	Jun-18	Dec-99	90,000	99,000
2E	SGX Baltic Panamax Route P2E	USD	1	Jun-18	Dec-99	1,300	1,430
2EF	SGX Baltic Panamax Route P2E Futures	USD	1	Jun-18	Dec-99	1,300	1,430
C7	SGX Baltic Capesize Route C7	USD	1	Jun-18	Jun-18	550	605
C7	SGX Baltic Capesize Route C7	USD	2	July-18	Sep-18	450	495
C7	SGX Baltic Capesize Route C7	USD	3	Oct-10	Dec-18	450	495
C7	SGX Baltic Capesize Route C7	USD	4	Jan-19	Dec-99	450	495
C7F	SGX Baltic Capesize Route C7 Futures	USD	1	Jun-18	Jun-18	550	605
C7F	SGX Baltic Capesize Route C7 Futures	USD	2	July-18	Sep-18	450	495
C7F	SGX Baltic Capesize Route C7 Futures	USD	3	Oct-10	Dec-18	450	495
C7F	SGX Baltic Capesize Route C7 Futures	USD	4	Jan-19	Dec-99	450	495

2. Intra-Commodity Spread Tiers

Contract Code	Tier	Contract month (From)	Contract month (To)
JPTI	1	Jun-18	Dec-99
2E	1	Jun-18	Dec-99
2EF	1	Jun-18	Dec-99
C7	1	Jun-18	Jun-18
C7	2	July-18	Sep-18
C7	3	Oct-10	Dec-18
C7	4	Jan-19	Dec-99
C7F	1	Jun-18	Jun-18
C7F	2	July-18	Sep-18
C7F	3	Oct-10	Dec-18
C7F	4	Jan-19	Dec-99

3. Intra-Commodity Spread Margin

Contract Code	Priority	Leg A's Tier	Leg B's Tier	Currency	Intra-Commodity Maint. Margin
JPTI	1	1	1	JPY	3,000
2E	1	1	1	USD	850
2EF	1	1	1	USD	850
C7	1	4	4	USD	90
C7	2	3	3	USD	150
C7	3	3	4	USD	150
C7	4	2	2	USD	200
C7	5	1	2	USD	450
C7	6	1	4	USD	450
C7	7	1	1	USD	400
C7	8	1	3	USD	500
C7	9	2	3	USD	400
C7	10	2	4	USD	400
C7F	1	4	4	USD	90
C7F	2	3	3	USD	150
C7F	3	3	4	USD	150
C7F	4	2	2	USD	200
C7F	5	1	2	USD	450
C7F	6	1	4	USD	450
C7F	7	1	1	USD	400
C7F	8	1	3	USD	500
C7F	9	2	3	USD	400
C7F	10	2	4	USD	400

4. Inter-Commodity Spread Tiers

Contract Code	Tier	Contract month (From)	Contract month (To)
JPTI	1	Jun-18	Dec-99
2E	1	Jun-18	Dec-99

Contract Code	Tier	Contract month (From)	Contract month (To)
2EF	1	Jun-18	Dec-99
C7	1	Jun-18	Dec-99
C7F	1	Jun-18	Dec-99

5. Inter-Commodity Spread Credit Rate

Credit Rate	Leg 1's Contract Code	Leg 1's Tier	Leg 1's Delta	Leg 1's Market Side	Leg 2's Contract Code	Leg 2's Tier	Leg 2's Delta	Leg 2's Market Side
80%	JPTI	1	17	A	NKTI	1	4	B
65%	2E	1	1	A	3A	1	1	B
60%	JPTI	1	3	A	NSGTI	1	1	B
55%	2E	1	1	A	PV	1	1	B
55%	2E	1	1	A	SV	1	1	B
55%	C7	1	1	A	HV	1	1	B
55%	JPTI	1	1	A	NTWTI	1	1	B
50%	1M	1	1	A	C7	1	5	B
50%	2E	1	1	A	CV	1	1	B
50%	2E	1	1	A	CW	1	1	B
50%	2E	1	1	A	HV	1	1	B
50%	2E	1	1	A	SW	1	1	B
50%	C7	1	1	A	SV	1	1	B
50%	JPTI	1	3	A	NMDTI	1	1	B
45%	2E	1	2	A	3M	1	1	B
45%	C7	1	1	A	SW	1	1	B
45%	JPTI	1	13	A	NIDTI	1	20	B
40%	3M	1	2	A	C7	1	9	B
40%	C7	1	1	A	CV	1	1	B
40%	C7	1	1	A	CW	1	1	B
40%	C7	1	4	A	FE	1	1	B
40%	C7	1	1	A	PV	1	1	B
35%	2A	1	1	A	C7	1	1	B
35%	2E	1	1	A	C5	1	1	B
35%	3A	1	1	A	C7	1	1	B
80%	JPTI	1	17	A	NKTI	1	4	B

Credit Rate	Leg 1's Contract Code	Leg 1's Tier	Leg 1's Delta	Leg 1's Market Side	Leg 2's Contract Code	Leg 2's Tier	Leg 2's Delta	Leg 2's Market Side
65%	2E	1	1	A	3A	1	1	B
60%	JPTI	1	3	A	NSGTI	1	1	B
55%	2E	1	1	A	PV	1	1	B
55%	2E	1	1	A	SV	1	1	B
55%	C7	1	1	A	HV	1	1	B
55%	JPTI	1	1	A	NTWTI	1	1	B
50%	1M	1	1	A	C7	1	5	B
50%	2E	1	1	A	CV	1	1	B
50%	2E	1	1	A	CW	1	1	B
50%	2E	1	1	A	HV	1	1	B
50%	2E	1	1	A	SW	1	1	B
50%	C7	1	1	A	SV	1	1	B
50%	JPTI	1	3	A	NMDTI	1	1	B
45%	2E	1	2	A	3M	1	1	B
45%	C7	1	1	A	SW	1	1	B
45%	JPTI	1	13	A	NIDTI	1	20	B
40%	3M	1	2	A	C7	1	9	B
40%	C7	1	1	A	CV	1	1	B
40%	C7	1	1	A	CW	1	1	B
40%	C7	1	4	A	FE	1	1	B
40%	C7	1	1	A	PV	1	1	B
35%	2A	1	1	A	C7	1	1	B
35%	2E	1	1	A	C5	1	1	B
35%	3A	1	1	A	C7	1	1	B