

The BFX EURUSD Futures Contract Specification

Developed by the Bahrain Financial Exchange

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BFX EURUSD Futures Contract Specification

Scope

The provisions contained herein shall apply to the EURUSD futures contract traded on the Bahrain Financial Exchange (hereinafter referred to as the “BFX” or “Exchange”). Procedural guidelines for trading, clearing, settlement and/or any other matter not specifically covered herein shall be governed by the BFX and the BFX Clearing and Depository Corporation (hereinafter referred to as the “BCDC”) Rules, Circulars and any other provisions issued periodically.

Contract Description	BFX Euro versus the US Dollar futures contract
Contract Symbol	BFXEUUS
Contract Designation	BFXEUUSDMMMMYYYY where BFXEUUS is the contract symbol and DMMMMYYYY refers to the contract date, month and year (e.g. the Dec 2011 contract maturing on December 19, 2011 is referred to as BFXEUUS19DEC2011).
Trading Hours	Monday to Friday between 8:30 AM and 9:30 PM Bahrain Time (Arabia Standard Time, AST or GMT + 3). Please refer to the relevant exchange circular for change in trading hours due to Day Light Saving period or holidays in the International markets.
Contract Listings	A minimum of three futures contracts shall be made available following a quarterly maturity cycle for the months March, June, September and December. Upon the maturity of the near-month contract, the next subsequent far-month contract shall be launched on the maturity date of the near-month futures contract.
Contract Size	EUR 25,000.
Price Quotation	US Dollars and Cents per Euro up to the fourth decimal place (for example, USD 1.4202 per one EUR).
Tick Size (Minimum Price Movement)	USD 0.0001 per one EUR
Tick Value	USD 2.50 per Futures Contract (USD 0.0001 per one EUR x EUR 25,000)
Last Trading Day (Contract Maturity Date)	The Last Trading Day shall be two business days before the third Wednesday of the contract month. Trading in the near-month futures contract shall cease at 6:16 PM Bahrain Time on the contract maturity date. In the event of the last trading day being a holiday in the International markets, the last trading day shall be the immediate preceding business day. The exchange shall notify any change in the contract maturity date or time after the launch of the futures contract. Members are requested to refer to the relevant circulars for any change in the contract maturity date or time, due to changes in the Daylight Saving Time in the International reference markets.
Settlement Methodology	Cash Settlement

Daily Settlement Price	Volume Weighted Average Price of all trades executed in the last 30 minutes on each trading day. The Daily Settlement Price shall be rounded to the nearest multiple of the tick size. Members may refer to the relevant circulars for further information.
Final Settlement Price	The Final Settlement Price on the contract maturity date shall be the settlement price of the equivalent EURUSD Futures contract on the Chicago markets, rounded to the nearest multiple of the tick size.
Settlement Date	Settlement of funds pay-in and pay-out towards mark-to-market profits and losses shall be completed on the Business day following each Trading Day (i.e. on a T+1 day basis). In the event of the settlement day not being a business day, the settlement day shall be the following business day. The exchange shall notify any change in the settlement date due to a holiday in the International markets.
Pay-in of Funds	7:30 AM on a T+1 day basis.
Pay-out of Funds	11:00 AM on a T+1 day basis.
Maximum Order Size	200 Contracts (Lots).
Daily Price Range	The base price limit shall be 2%. In the event that the base daily price limit is breached, the relaxation shall be allowed up to 3% without any cooling-off period. In the event that the 3% price limit is also breached, then after a cooling off period of up to 15 minutes, the daily price limit shall be relaxed up to 5%. In the event that the International markets are volatile and even this price limit of 5% is breached, then the daily price limit shall be further relaxed in steps of 1%. Kindly refer to the relevant circulars for information on the relaxation of the Daily Price Range.
Maximum Allowable Open Position	For each Trading Member or Authorised Remote Member, collectively for all proprietary and client positions: 16,000 contracts across all contract months. For Individual Client: 4,000 contracts across all contract months. Kindly refer to the relevant circulars for information on Exemption of Position Limits.
Initial Margin	Standard Portfolio Analysis of Risk* (SPAN®) margin shall be applicable subject to a minimum initial margin of 2.50%.
Special (Additional) Margins	In the event of additional volatility, the BFX and the BCDC reserves the right to impose a special (additional) margin over and above the initial margin on all outstanding (open) futures contract positions.
Calendar Spread Benefit	Calendar Spread Benefit on the Initial Margin shall be 90%. The calendar spread benefit shall be scaled down over a period of five days preceding the near-month contract's maturity date. Kindly refer to the relevant circulars for further information.

Following are the contracts to be launched:

CONTRACT MONTH / PRODUCT MONTH	MATURITY DATE
December 2011	December 19, 2011
March 2012	March 19, 2012
June 2012	June 18, 2012

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