

National Stock Exchange Of India Limited

Department : CURRENCY DERIVATIVES

Download Ref No: NSE/CD/39419

Date : November 16, 2018

Circular Ref. No: 38/2018

All Members,

Launch of trading in futures based on overnight call rate (MIBOR)

Exchange is pleased to inform members that with reference to approval received from SEBI and RBI, Futures contracts on overnight call rate (MIBOR) shall be made available for trading in Currency Derivatives segment.

The product specifications about the above Futures contracts is given in Annexure.

Eligibility: All members eligible to participate in interest rate futures would be eligible to participate in overnight call rate (MIBOR) futures in the Currency Derivatives segment.

This circular shall be applicable from 3rd December 2018.

For and on behalf of
National Stock Exchange of India Limited

Khushal Shah
Associate Vice President

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Annexure – 1

Product Specifications for Overnight MIBOR Futures

Instrument Name	Futures based on overnight call rate (MIBOR)
Underlying	Average daily FBIL overnight MIBOR for the contract month
Symbol	ONMIBOR
Market type	N
Instrument type	FUTIRC
Unit of Trading	Interest on notional principal of Rs. 5 crores for one month calculated on 30/365 day basis at a rate equal to average daily FBIL overnight MIBOR for the contract month. Members shall place orders in terms of number of contracts.
Quoting	Interest Rate
Contract Value	Quoted Rate * 100 * 411 [Value for 1 basis point : Rs. 411 = (Rs. 5 Crs * 0.01% * 30/365)
Tick size	Quarter basis point (0.25 basis point i.e. 0.0025)
Tick Value	Rs.102.75 = (Rs.411/4)
Contract cycle	3 serial monthly contracts i.e., 1-month (near-month), 2-month (mid-month) and 3-month (far-month). and additionally 3 quarterly contracts of the cycle March/June/September/December
Trading hours	9.00 am to 5.00 pm (Monday to Friday)
Operating range	+/-5 % of the base rate. (Whenever a trade in any contract is executed at the highest/lowest price of the band, Exchange may expand the price band for that contract by 5% in that direction after taking into account market trend or as may be decided by relevant authority)
Quantity freeze	Quantity Freeze for FUTIRC contracts shall be 41 lots or greater i.e. orders having quantity up to 40 lots shall be allowed.
Base rate	MIBOR OIS rate for the corresponding tenure will be considered to compute base rate on the first day of the contract. On all other days, daily settlement rate will be considered for base rate of the contract.
Last trading day	Last working day of the month. In case the last working day is a trading holiday, the previous trading day shall be the last trading day. For Expiring futures contract – The market timing on last trading day will be 9:00 am to 10:00 am and trade modification end time will be till 10:30 am
Daily settlement rate price	Volume weighted average rate of trades - In last 30 minutes of trading, subject to min 5 trades else - In last 60 minutes of trading, subject to min 5 trades else Theoretical rate would be made applicable.
Final settlement rate	Average daily FBIL Overnight MIBOR rate, up to 4 decimals, applicable for the contract month
Daily settlement	Daily MTM settlement on T+1 day in cash, based on daily settlement rate
Final settlement	Final settlement on T+1 day in cash, based on final settlement rate