

National Stock Exchange Of India Limited
Department : CURRENCY DERIVATIVES SEGMENT

Download Ref No: NSE/CD/40072

Date : January 29, 2019

Circular Ref. No: 03/2019

All Members,

Trade Execution Range

This is in further clarification to the Exchange circular no. NSE/CD/37690 dated May 04, 2018 with respect to Trade Execution Range. Members are requested to note the trade execution range for currency futures & options contract is as per below:

- 1) Orders shall be matched and trades shall take place only if the trade price is within the trade execution range based on the reference price of the contract.
- 2) Reference price for each contract shall be computed as follows:
 - At market open – it shall be the theoretical price based on the underlying price (Using implied volatility in case of options contracts and applicable rate of interest by considering the domestic and foreign interest rate of respective currency pair) or base price of the contract in case underlying price is not available at the time of computation. (In case of FUTIRC, it shall be the base price of the Contract.)
 - During trading hours – it shall be the simple average of trade prices of that contract in the last 1 minute.
 - For contracts that have traded in the last 1 minute, the reference price shall be revised throughout the day on a rolling basis at 1 minute intervals.
 - For all other contracts the reference price shall be the theoretical price based on the latest available underlying price and shall be revised throughout the day at regular intervals. (30 minutes) (In case of FUTIRC, the reference price shall be the base price of the Contract throughout the day)
- 3) Execution range is the range on both sides of the reference price as given below:-

Instrument	Contract Months	Reference Price (Rs.)	% of Reference Price	Minimum absolute Range (Rs.)
Futures	Tenure upto 6 months	All	1%	-
	Tenure greater than 6 months	All	2%	-
Options		0.0001 to 0.1000	-	0.01
		0.1001 to 0.2500	-	0.025
		0.2501 to 0.5000	-	0.05
		>0.5000	10%	-

Trade execution range for contract on FUTIRC as below:

Instrument	Contract Months	Reference Price (Rs.)	% of Reference Price	Minimum absolute Range (Rs.)
FUTIRC	All	All	0.50%	-

- 4) There is no change to the existing applicable operating ranges. For valid order entry and all orders that are within the operating range shall be accepted as is being done currently.
- 5) If any order which is within the operating range but which may result in a trade outside the execution range is entered then such an order (full or partial as the case may be) shall be cancelled by the Exchange.
- 6) The Exchange may modify the execution range as and when necessary

For and on behalf of
National Stock Exchange of India Limited

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