

National Stock Exchange Of India Limited

Department : Commodity Derivatives Segment

Download Ref No: NSE/COM/40074

Date : January 29, 2019

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All Members,

Trade Execution Range

This is in further clarification to the Exchange circular no. NSE/COM/38941 dated September 21, 2018 with respect to Trade Execution Range. Members may note the trade execution range for commodity derivatives segment 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 rate of interest as 10%) or base price of the contract in case underlying price is not available at the time of computation.
 - 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.
- 3) Execution range is the range on both sides of the reference price as given below:

Segment	Contract Months	Reference Price (Rs.)	% of Reference Price
Futures	All tenures	All	50% of initial daily price limit of the contract (Eg: If DPL is 4% then the Execution range shall be 2%)

- 4) For valid order entry and all orders that are within the operating range shall be accepted.
- 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

Khushal Shah
Associate Vice President

Toll Free No		Fax No	Email id
1800-266-0053		+91-22-26598155	msm@nse.co.in