

Crude Palm Kernel Oil Futures (FPKO)

Contract Specifications

CONTRACT CODE	FPKO
UNDERLYING INSTRUMENT	Crude Palm Kernel Oil
CONTRACT SIZE	25 metric tons
MINIMUM PRICE FLUCTUATION	MYR1.00 per metric ton
CONTRACT MONTHS	<ul style="list-style-type: none">• Spot and next 5 succeeding months followed by alternate month i.e. odd months up to 12 months ahead• The Contract months are as set out in Appendix A to the Rules of Bursa Derivatives
TRADING HOURS	<p>Monday to Friday (Malaysia Time)</p> <ul style="list-style-type: none">• Morning trading session: 1030 hours to 1230 hours• Afternoon trading session: 1430 hours to 1800 hours <p>Monday to Thursday (Malaysia Time)</p> <ul style="list-style-type: none">• After-Hours (T+1) trading session: 2100 hours - 2330 hours <p>Business Days:</p> <ul style="list-style-type: none">• Follows KL Business Day
DAILY PRICE LIMITS	<p>1. With the exception of trades in the current delivery month, trades for future delivery of Crude Palm Kernel Oil in any month, must not be made, during any 1 Business Day, at prices varying more than 10% above or below the settlement prices of the preceding Business Day (“the 10% Limit”) except as provided below:</p> <p>(a) When the 10% Limit is triggered (except for the current month), the Exchange will announce a 10-minute cooling off period (“the Cooling Off Period”) for Contracts of all Contract months (except the current delivery month) during which trading may only take place within the 10% Limit</p> <p>(b) Following the Cooling Off Period, Contracts of all Contract months will be specified as reserved for a period of 5 minutes, after which the price limit will be expanded to 15%. The prices traded for Contracts of all Contract months (except the current month) must then not vary more than 15% above or below the settlement prices of the preceding Business Day (“the 15% Limit”)</p>

(c) If the 10% Limit is triggered less than 30 minutes before the end of the first trading session, the 10% Limit will apply to Contracts of all Contract months (except the current month) for the rest of the first trading session and the 15% Limit will apply to Contracts of all Contract months (except the current month) during the second trading session

(d) If the 10% Limit is triggered less than 30 minutes before the end of the second trading session, the 10% Limit will apply to Contracts of all Contract months (except the current month) for the rest of the Business Day

2. For the purposes of paragraph 1(a) above, the 10% Limit will be considered triggered in the manner as may be prescribed by the Exchange

FINAL TRADING DAY

- 15th day of the delivery month or, if the 15th day is a non-Business Day, the Final Trading Day will be the last Business Day preceding the 15th day
- Trading in the delivery month ceases at 1200 hours (Malaysia Time)

FINAL SETTLEMENT

- Any Contracts remaining open after the cessation of trading for a delivery month will be settled by delivery which must be made by the 20th day of that month or, if the 20th day is a non-Business Day, by the last Business Day preceding 20th day
- The Tendering and delivery process must be done in accordance with the Rules of Bursa Malaysia Derivatives Clearing Berhad

CONTRACT GRADE AND DELIVERY POINTS

CONTRACT GRADE

- The Contract grade is for crude unbleached palm kernel oil of good merchantable quality, in bulk, in Port Tank Installations, conforming to the following specifications:

Specification	In	Out
Free Fatty Acids content (as Lauric Acid of CPKO), % max	3.5	4.0
Moisture and Impurities, % max	0.5	0.5
Iodine Value Range	16.5 to 18.75	16.5 to 18.75
Colour Range	• 4 Red - 8 Red • 60 Yellow max	• 4 Red - 8 Red • 60 Yellow max

DELIVERY POINTS

- Port Tank Installation located, at the option of the seller, in Port Klang and in Pasir Gudang and such other ports as the Exchange may specify

DELIVERABLE UNIT

25 metric tons, plus or minus not more than 2%

Settlement of weight differences will be based on the simple average of the Daily Settlement Prices of the delivery month from:

- The 1st Business Day of the deliver month to the day of Tender, if the Tender is made before the last trading day of the delivery month; or
- The 1st Business Day of the delivery month to the Business Day immediately preceding the last day of trading, if the Tender is made on or after the last trading day

SPECULATIVE POSITION LIMITS

- Spot month: 500
- Single month: 2,000
- All months combined: 3,000

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