

BURSA MALAYSIA DERIVATIVES BERHAD**Date : 7 September 2017****Trading Participant Circular: 20/2017****IMPLEMENTATION OF VELOCITY LOGIC**

Effective Monday, 25 September 2017, BMD will implement Velocity Logic, a new CME Globex feature designed to enhance the protection of market integrity. Velocity Logic monitors price movements, and when a potential significant change within a short span of time is detected, it introduces a momentary suspension in matching by transitioning the market into a temporary Reserved state. The Reserved state is similar to the Pre-Opening phase where orders are accumulated but no matching will take place. This momentary state will allow the trader the opportunity to enter, modify, or cancel orders, and at the same time provides market an opportunity to reassess market conditions and the ability to re-establish proper market prices.

More information on Velocity Logic is available at:

<https://www.cmegroup.com/confluence/display/EPICSANDBOX/Velocity+Logic>

Should you have any queries, please do not hesitate to contact the Trading Operations Department.

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