

## Crude Palm Oil Futures (FCPO) Revamp Frequently Asked Questions (FAQs)

1) ***When will the new FCPO Revamp take place?***

The new revamp will be effective from 26 February 2018.

2) ***What are the new changes for FCPO revamp?***

- a) Increase in Position Limits
- b) Shortening of Lunch Hour
- c) Extension of Trading Tenure
- d) Traceability Documents Requirement

### Increase in Position Limits

1) ***What are the new position limits for FCPO?***

	Old position Limits	New Position Limits
Spot Month	800	1,500
Single Month	10,000	20,000
All Months Combine	15,000	30,000

2) ***What are the new position limits for OCPO?***

	Old position Limits	New Position Limits
Spot Month	800	1,500
Single Month	10,000	20,000
All Months Combine	15,000	30,000

**\*OCPO position limits are combined with FCPO**

3) ***If I have applied for higher position limits before this revamp, do I need to withdraw my application?***

No. The higher position limits shall apply.

4) ***When will the new spot month position limits take place?***

The new spot month contract limits will come into effect every 16<sup>th</sup> of the month. If 16<sup>th</sup> is a holiday it will be the preceding business day.

Example:

<b>FCPO Contract listed as of 2<sup>nd</sup> Jan, 2020</b>	<b>Contract Expiry Date</b>	<b>Remarks</b>
January 2020 (Spot Month)	15 <sup>th</sup> Jan 2020	The position limits of the spot month have kicked in on 16 <sup>th</sup> December 2019 when the December 2019 contract expired on 15 <sup>th</sup> December 2019.
February 2020 (Second Month)	15 <sup>th</sup> Feb 2020	The February contract will become spot month on 16 <sup>th</sup> January 2020 and the spot month position limits automatically kicks in.
March 2020 (Third Month)	15 <sup>th</sup> Mar 2020	The March contract will become second month contract on 16 <sup>th</sup> January 2020.

Shortening of Lunch Hour

1) ***What is the new trading time for FCPO?***

<b>Old Trading Hours</b>	<b>New Trading Hours</b>
10.30am to 1230pm	10.30am to 12.30pm
3pm to 6pm	2.30pm to 6pm

2) ***When will the second session pre-opening begin?***

The second session pre-opening begins at 2.00pm.

Extension of Trading Tenure

1) ***What are the new tenures that are available for FCPO trading?***

<b>Product</b>	<b>Old Tenure</b>	<b>New Tenure</b>
FCPO	Spot month and next 5 succeeding months and thereafter alternate months up to 24 months ahead	Spot month and next 11 succeeding month. Thereafter alternate (odd) months up to 36 months ahead.

## Traceability Documents Required

1) ***Who is required to provide the traceability details up to the palm oil mill?***

Seller of FCPO contract who wish to be involved in physical delivery.

2) ***Who should the seller submit the Traceability Document to?***

The seller should submit the Traceability Document to the Bursa Malaysia Derivatives-approved Port Tank Installations which they are delivering to.

3) ***What details are required in the Traceability Document and where can I get this document?***

Following the implementation of the MSPO Certification requirement in all physical delivery under the FCPO contract, all sellers intending to make physical delivery will now need to include their MSPO Certification Number in the Traceability Document before submitting it to the Port Tank Installations.

Therefore, the following details must be included in the Traceability Document:

- a) Name of parent company
- b) Milling Party
- c) Mill Address
- d) Mill Coordinate: Latitude and Longitude
- e) Quantity of CPO Received in MT
- f) **MSPO Certification Number**

The MSPO certification shall be certified by respective certification bodies accredited by the Department of Standards Malaysia (DSM). All relevant certification bodies are available on the Malaysia Palm Oil Council Certification (MPOCC) website: <https://www.mpocc.org.my/>

The Traceability Document is available for download at the Bursa Malaysia Website. ([https://www.bursamalaysia.com/trade/our\\_products\\_services/derivatives/commodity\\_derivatives/crude\\_palm\\_oil\\_futures](https://www.bursamalaysia.com/trade/our_products_services/derivatives/commodity_derivatives/crude_palm_oil_futures)).

Please see below for a sample of the Traceability Document.

[Traceability Document Sample]

(Company Letter Head)

No.	Seller Parent Company's Name	Mill Party	Mill Address	Mill Coordinate		Quantity (MT)	MSPO Cert. No
				Longitude	Latitude		
1							
2							
3							
4							
5							
6							
7							
8							
9							
10							
11							
12							
13							
14							
15							

We (**Company Name**), hereby declare that the above information is true best to our knowledge.

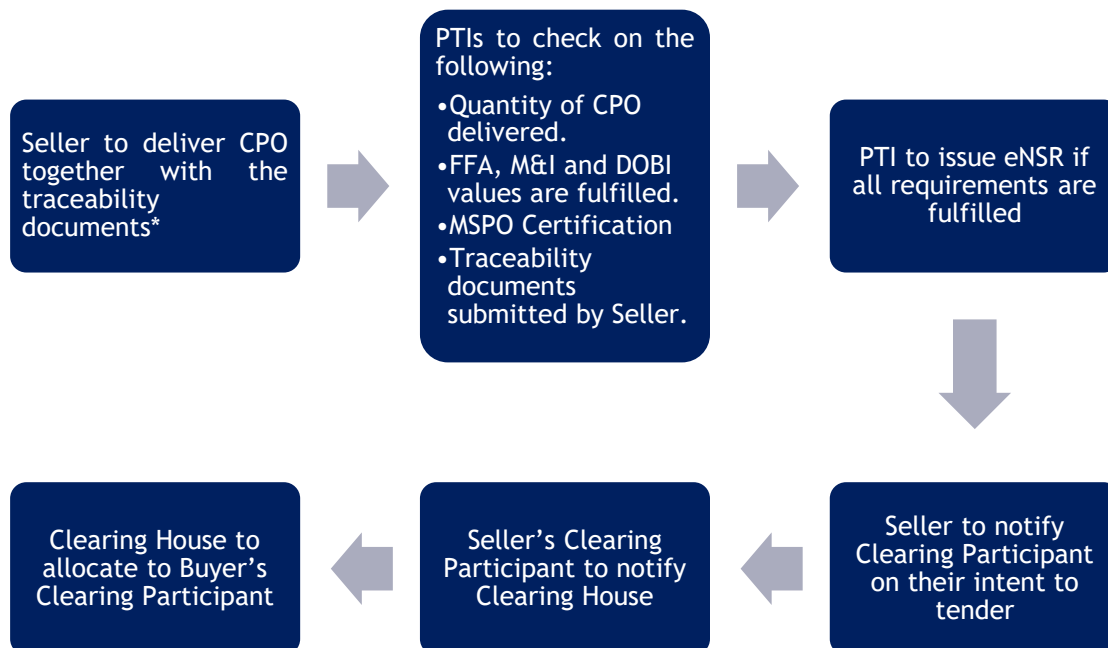
**Authorised Signature:**

**Name:**

**Designation:**

**Date:**

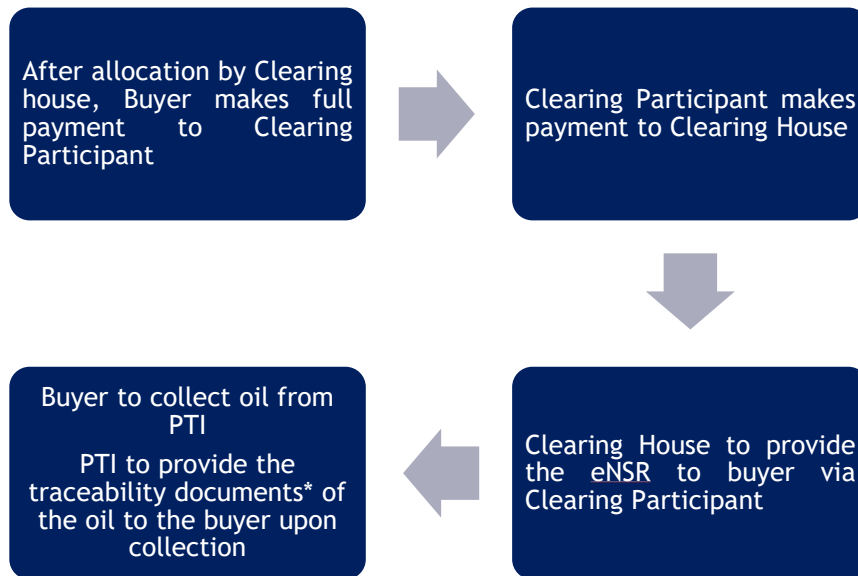
4) **What is the new physical delivery flow of the seller?**



\*Information Required for Traceability Document:

- a) Parent Company of the Seller
- b) Mill Party
- c) Mill Address
- d) Mill Coordinate: Latitude and Longitude
- e) Quantity of CPO received in MT
- f) MSPO Certification Number

5) **What is the new physical delivery flow of the buyer?**



**\*Information Required for Traceability Document:**

- a) Parent Company of the Seller
- b) Mill Party
- c) Mill Address
- d) Mill Coordinate: Latitude and Longitude
- e) Quantity of CPO received in MT
- f) MSPO Certification Number