



Metropolitan Stock Exchange of India Limited

Department: Market Operations

Segment: Currency Derivatives

Circular No: MSE/TRD/7064/2018

Date: December 03, 2018

Subject: Introduction of New Products in Currency Derivatives Segment

To All Members,

In terms of provisions of the Rules, Bye-Laws and Regulations of the Exchange and on the basis of approval received from SEBI; members of the Exchange are hereby notified about the introduction of new products in Currency Derivatives segment.

Post successful completion of mock trading on December 1, 2018, the Exchange shall launch the following products in the Currency Derivatives Segment with effect from December 5, 2018.

- Cross Currency contracts on EUR-USD, GBP-USD and USD-JPY;
- Weekly Option contracts on USDINR
- Currency Option Contracts on additional currency pairs viz. EUR-INR, GBP-INR and JPY-INR

The Product Description and Trading Parameters of the Cross Currency Futures and Option contracts are specified in Annexure – 1. The list of contracts currently available for trading is provided in Annexure 2.

In view of the introduction of Cross Currency Derivatives the applicable market timings for Currency Derivatives segment will be as follows:

Description	Market Timings		
	Normal Market open time	Normal Market close time	Trade modification/ Cancellation end time
Currency Futures & Options (USDINR, EURINR, GBPINR, JPYINR) & Interest Rate Futures	9:00 AM	5:00 PM	5:30 PM
Cross Currency Futures and Options (EURUSD, GBPUSD & USDJPY)	9:00 AM	7:30 PM	8:00 PM

Trading Members are requested to download the TWS and MAT Version 11.6.16 from SFTP for the new functionalities. The detailed procedure for downloading and installation of the new version of trading software is given in Annexure – 3.

The overall position limits currently applicable to existing Futures and Options contracts will also become applicable to the above mentioned Weekly Options contracts and Currency Option Contracts on additional currency pairs viz. EUR-INR, GBP-INR and JPY-INR. Members may refer Exchange circular No: MSE/SURV/6201/2018 dated April 3, 2018.

With respect to cross currency position limits, separate circular will be issued by the Exchange.

For any clarifications, contact Customer Service on 022-61129010 or send an email to customerservice@msei.in.

**For and on behalf of
Metropolitan Stock Exchange of India Limited**

**Shalini Rebeiro
Sr. Manager**

Contract Specifications for Cross Currency Future Contract

Symbol	EURUSD	GBPUSD	USDJPY
Instrument Type	FUTCUR	FUTCUR	FUTCUR
Unit of trading/ Market Lot	1 (1 unit denotes 1000 EUR)	1 (1 unit denotes 1000 GBP)	1 (1 unit denotes 1000 USD)
Underlying	USD per 1 EUR	USD per 1 GBP	JPY per 1 USD
Quotation/Price Quote	The contract would be quoted in USD terms. The outstanding positions would be in EURO terms	The contract would be quoted in USD terms. The outstanding positions would be in GBP terms.	The contract would be quoted in JPY terms. The outstanding positions would be in USD terms.
Tick size	0.0001	0.0001	0.01
Trading hours	Monday to Friday		
	9:00 AM to 7.30 PM		
Contract trading cycle	12 month trading cycle.		
Expiry/ Last trading day	Two working days prior to the last working day of the expiry month at 12:30 PM		
Base Price	Theoretical price on the 1st day of the contract. On all other days, DSP of the contract.		
Price operating range	Tenure up to 6 months		Tenure greater than 6 months
	+/-3 % of base price		+/-5 % of base price
Settlement	Daily settlement : T + 1		
	Final settlement : T + 2		
Mode of settlement	Cash settled in Indian Rupees		
Daily settlement price (DSP)	DSP shall be calculated on the basis of the last half an hour volume weighted average price of such contract. In the absence of last half an hour trading on the Exchange, theoretical futures price shall be considered for computation of DSP.		
	For arriving at the daily settlement value in INR for EURUSD and GBPUSD contracts, the latest available FBIL reference rate for USDINR shall be used. For USDJPY contracts, the settlement value in INR shall be arrived at using latest available exchange rate published by FBIL for JPYINR.		
Final Settlement price	The final settlement price of cross currency contracts shall be computed using the reference rate published by FBIL on the last trading day of the contract.		

	For arriving at the final settlement value in INR for EURUSD and GBPUSD contracts, the FBIL reference rate for USDINR on the last trading day of the contract shall be used. For USDJPY contracts, the final settlement value in INR shall be arrived at using the exchange rate published by FBIL for JPYINR last trading day of the contract.
Final settlement	T+2 day
Spread Contracts	Spread Contracts shall be available for trading

Contract Specifications for Cross Currency Option contract

Symbol	EURUSD	GBPUSD	USDJPY
Instrument Type	OPTCUR	OPTCUR	OPTCUR
Unit of trading/ Market Lot	1 (1 unit denotes 1000 EUR)	1 (1 unit denotes 1000 GBP)	1 (1 unit denotes 1000 USD)
Underlying	USD per 1 EUR	USD per 1 GBP	JPY per 1 USD
Quotation/Price Quote	The contract would be quoted in USD terms. The outstanding positions would be in EURO terms	The contract would be quoted in USD terms. The outstanding positions would be in GBP terms.	The contract would be quoted in JPY terms. The outstanding positions would be in USD terms.
Tick size	0.0001	0.0001	0.01
Strike Price Interval	0.005	0.005	0.5
Strike Price	Twelve in-the-money, Twelve out-of-the-money and One near-the-money strikes would be provided for all available contracts for both call and put options (25 CE and 25 PE)		
Price operating range	Contract specific price range based on the delta of the option contract		
Trading hours	Monday to Friday 9:00 AM to 7.30 PM		
Contract trading cycle	Three serial monthly contracts followed by three quarterly contracts of the cycle March/June/September/December.		
Expiry/ Last trading day	Two working days prior to the last working day of the expiry month at 12:30 PM		

Exercise at Expiry	All in-the-money open long contracts shall be automatically exercised at the Final Settlement Price (FSP) and assigned on a random basis to the open short positions of the same strike and series.
Settlement	Daily settlement : T + 1
	Final settlement : T + 2
Final Settlement price	The final settlement price of cross currency contracts shall be computed using the reference rate published by FBIL on the last trading day of the contract.
	For arriving at the final settlement value in INR for EURUSD and GBPUSD contracts, the FBIL reference rate for USDINR on the last trading day of the contract shall be used. For USDJPY contracts, the final settlement value in INR shall be arrived at using the exchange rate published by FBIL for JPYINR last trading day of the contract.
Mode of settlement	Cash settled in Indian Rupees

Contract Specifications for Weekly Option contract

Symbol	USDINR
Instrument Type	OPTCUR
Unit of trading/ Market Lot	1 (1 unit denotes 1000 USD)
Underlying	US Dollar – Indian Rupee (USD-INR) spot rate
Type of Option	Premium styled European Call and Put Options
Quotation/Price Quote	Premium quoted in INR
Tick size	0.25 paise (or INR 0.0025)
Strike Price	Twelve in-the-money, Twelve out-of-the-money and One near-the-money strikes would be provided for all available contracts for both call and put options (25 CE and 25 PE)
Strike Price Interval	INR 0.2500
Price operating range	Contract specific price range based on the delta of the option contract
Trading hours	Monday to Friday
	9:00 AM to 5.00 PM
Contract trading cycle	5 serial weekly contracts expiring on Friday, excluding expiry week wherein monthly contracts expires on a Friday.
Expiry/ Last trading day	Every Friday of the week. In case the Friday is a trading holiday, the previous trading day shall be the expiry/last trading day. All contracts shall expire at the 12:30 pm. on the expiry day.

Exercise at Expiry	All in-the-money open long contracts shall be automatically exercised at the Final Settlement Price (FSP) and assigned on a random basis to the open short positions of the same strike and series.
Final Settlement price	Exchange rate for USD-INR published by the Reserve Bank on the expiry date of the weekly contracts.
Mode of settlement	Cash settled in Indian Rupees
Settlement of Premium	Premium to be paid by the buyer in cash on T+1 day
Final settlement	T+2 day

Contract Specifications for Option contract on additional currency pairs

	Product Description for Options on EUR-INR, GBP-INR and JPY-INR		
Symbol	EURINR	GBPINR	JPYINR
Instrument Type	OPTCUR	OPTCUR	OPTCUR
Unit of trading/ Market Lot	1 (1 unit denotes 1000 USD)	1 (1 unit denotes 1000 GBP)	1 (1 unit denotes 100000 JPY)
Underlying	EURO – Indian Rupee (EUR-INR) spot rate	GBP – Indian Rupee (GBP-INR) spot rate	JPY – Indian Rupee (JPY-INR) spot rate
Type of Option	Premium styled European Call and Put Options		
Quotation/Price Quote	Premium quoted in INR		
Tick size	0.25 paise (or INR 0.0025)		
Strike Price	Twelve in-the-money, Twelve out-of-the-money and One near-the-money strikes would be provided for all available contracts for both call and put options (25 CE and 25 PE)		
Strike Price Interval	INR 0.2500		
Price operating range	Contract specific price range based on the delta of the option contract		
Trading hours	Monday to Friday 9:00 AM to 5.00 PM		
Contract trading cycle	Three serial monthly contracts followed by three quarterly contracts of the cycle March/June/September/December.		
Expiry/ Last trading day	Two working days prior to the last working day of the expiry month at 12:30 PM		
Exercise at Expiry	All in-the-money open long contracts shall be automatically exercised at the Final Settlement Price (FSP) and assigned on a random basis to the open short positions of the same strike and series.		

Final settlement day	Last working day (excluding Saturdays) of the expiry month.
Final Settlement price	FBIL Reference Rate on the date of expiry of the contract.
Mode of settlement	Cash settled in Indian Rupees
Settlement of Premium	Premium to be paid by the buyer in cash on T+1 day
Final settlement	T+2 day

Annexure 2

List of Contracts available for trading from December 05, 2018 onwards.

Cross Currency Derivatives:

Cross Currency Futures:

Sr. No.	Instrument	Symbol	Expiry
1	FUTCUR	EURUSD	27-Dec-18
2	FUTCUR	EURUSD	29-Jan-19
3	FUTCUR	EURUSD	26-Feb-19
4	FUTCUR	EURUSD	27-Mar-19
5	FUTCUR	EURUSD	26-Apr-19
6	FUTCUR	EURUSD	29-May-19
7	FUTCUR	EURUSD	26-Jun-19
8	FUTCUR	EURUSD	29-Jul-19
9	FUTCUR	EURUSD	28-Aug-19
10	FUTCUR	EURUSD	26-Sep-19
11	FUTCUR	EURUSD	29-Oct-19
12	FUTCUR	EURUSD	27-Nov-19
13	FUTCUR	GBPUSD	27-Dec-18
14	FUTCUR	GBPUSD	29-Jan-19
15	FUTCUR	GBPUSD	26-Feb-19
16	FUTCUR	GBPUSD	27-Mar-19
17	FUTCUR	GBPUSD	26-Apr-19
18	FUTCUR	GBPUSD	29-May-19
19	FUTCUR	GBPUSD	26-Jun-19
20	FUTCUR	GBPUSD	29-Jul-19
21	FUTCUR	GBPUSD	28-Aug-19
22	FUTCUR	GBPUSD	26-Sep-19
23	FUTCUR	GBPUSD	29-Oct-19
24	FUTCUR	GBPUSD	27-Nov-19
25	FUTCUR	USDJPY	27-Dec-18
26	FUTCUR	USDJPY	29-Jan-19
27	FUTCUR	USDJPY	26-Feb-19
28	FUTCUR	USDJPY	27-Mar-19
29	FUTCUR	USDJPY	26-Apr-19
30	FUTCUR	USDJPY	29-May-19
31	FUTCUR	USDJPY	26-Jun-19
32	FUTCUR	USDJPY	29-Jul-19
33	FUTCUR	USDJPY	28-Aug-19
34	FUTCUR	USDJPY	26-Sep-19
35	FUTCUR	USDJPY	29-Oct-19
36	FUTCUR	USDJPY	27-Nov-19

Cross Currency Options:

Sr. No.	Instrument	Symbol	Series/Expiry
1	OPTCUR	EURUSD	27-Dec-18
2	OPTCUR	EURUSD	29-Jan-19
3	OPTCUR	EURUSD	26-Feb-19
4	OPTCUR	EURUSD	27-Mar-19
5	OPTCUR	EURUSD	26-Jun-19
6	OPTCUR	EURUSD	26-Sep-19
7	OPTCUR	GBPUSD	27-Dec-18
8	OPTCUR	GBPUSD	29-Jan-19
9	OPTCUR	GBPUSD	26-Feb-19
10	OPTCUR	GBPUSD	27-Mar-19
11	OPTCUR	GBPUSD	26-Jun-19
12	OPTCUR	GBPUSD	26-Sep-19
13	OPTCUR	USDJPY	27-Dec-18
14	OPTCUR	USDJPY	29-Jan-19
15	OPTCUR	USDJPY	26-Feb-19
16	OPTCUR	USDJPY	27-Mar-19
17	OPTCUR	USDJPY	26-Jun-19
18	OPTCUR	USDJPY	26-Sep-19

Spread Contracts:

Sr. No.	Instrument	Symbol	Expiry	Name
1	FUTCUR	EURUSD1219	29-Jan-19	EURUSDJANFEB2019SPREAD
2	FUTCUR	EURUSD1319	29-Jan-19	EURUSDJANMAR2019SPREAD
3	FUTCUR	EURUSD2319	26-Feb-19	EURUSDFEBMAR2019SPREAD
4	FUTCUR	EURUSDD119	27-Dec-18	EURUSDDECJAN2019SPREAD
5	FUTCUR	EURUSDD219	27-Dec-18	EURUSDDEC FEB2019SPREAD
6	FUTCUR	EURUSDD319	27-Dec-18	EURUSDDECMAR2019SPREAD
7	FUTCUR	GBPUSD1219	29-Jan-19	GBPUSDJANFEB2019SPREAD
8	FUTCUR	GBPUSD1319	29-Jan-19	GBPUSDJANMAR2019SPREAD
9	FUTCUR	GBPUSD2319	26-Feb-19	GBPUSDFEBMAR2019SPREAD
10	FUTCUR	GBPUSDD119	27-Dec-18	GBPUSDDECJAN2019SPREAD
11	FUTCUR	GBPUSDD219	27-Dec-18	GBPUSDDEC FEB2019SPREAD
12	FUTCUR	GBPUSDD319	27-Dec-18	GBPUSDDECMAR2019SPREAD
13	FUTCUR	USDJPY1219	29-Jan-19	USDJPYJANFEB2019SPREAD
14	FUTCUR	USDJPY1319	29-Jan-19	USDJPYJANMAR2019SPREAD
15	FUTCUR	USDJPY2319	26-Feb-19	USDJPYFEBMAR2019SPREAD
16	FUTCUR	USDJPYD119	27-Dec-18	USDJPYDECJAN2019SPREAD
17	FUTCUR	USDJPYD219	27-Dec-18	USDJPYDEC FEB2019SPREAD
18	FUTCUR	USDJPYD319	27-Dec-18	USDJPYDECMAR2019SPREAD

Weekly Options :

Sr. No.	Instrument	Symbol	Expiry Date
1	OPTCUR	USDINR	07-Dec-2018
2	OPTCUR	USDINR	14-Dec-2018
3	OPTCUR	USDINR	21-Dec-2018
4	OPTCUR	USDINR	04-Jan-2019
5	OPTCUR	USDINR	11-Jan-2019

Options on additional currency pairs :

Sr. No.	Instrument	Symbol	Series/Expiry
1	OPTCUR	EURINR	27-Dec-18
2	OPTCUR	EURINR	29-Jan-19
3	OPTCUR	EURINR	26-Feb-19
4	OPTCUR	EURINR	27-Mar-19
5	OPTCUR	EURINR	26-Jun-19
6	OPTCUR	EURINR	26-Sep-19
7	OPTCUR	GBPINR	27-Dec-18
8	OPTCUR	GBPINR	29-Jan-19
9	OPTCUR	GBPINR	26-Feb-19
10	OPTCUR	GBPINR	27-Mar-19
11	OPTCUR	GBPINR	26-Jun-19
12	OPTCUR	GBPINR	26-Sep-19
13	OPTCUR	JPYINR	27-Dec-18
14	OPTCUR	JPYINR	29-Jan-19
15	OPTCUR	JPYINR	26-Feb-19
16	OPTCUR	JPYINR	27-Mar-19
17	OPTCUR	JPYINR	26-Jun-19
18	OPTCUR	JPYINR	26-Sep-19

Procedure for downloading and installation of the new version of MSE Member Admin 11.6.16.

- a) Users can download setup from SFTP (Extranet) Server using address <https://192.168.125.209> the **COMMON\SETUP\Version 11.6.16** for downloading through Lease Line and <https://sftp.msei.in> for downloading through Internet to the members system.
- b) Install VC++Redistributable 2008 on the system.
- c) Double click **MSE-CDSTWSCLIENT.msi**. It will install the MSE Trader Workstation Live for Version 11.6.16.
- d) Double click **MSE-CDSMEMADMIN.msi**. It will install new MSE Member Administrator Live for Version 11.6.16.
- e) **DOT Net Framework 4.5.2 Setup available at <https://sftp.msei.in> is required to be updated by all trading members along with TWS/MAT setup**

f) Following steps are to be followed by Members after installation of TWS / MAT

i. For Leased Line mode of connectivity

After installation start TWS / MAT and follow below mentioned steps:

- Go to Tools → System configuration
- Member using THRU needs to select “**THRU**” in Mode of Connectivity. Other members need to select “**Dedicated**”.
- Select Market Data Updates as “**Normal**”.
- If Member is using THRU, enter THRU machine IP address in “Host IP Address” under Interactive settings. THRU machine IP address is same as entered in THRU configuration – “Client Network Interface”
- Click on Modify.
- System will set the configuration as entered / selected and TWS / MAT will be closed.
- Start TWS / MAT and login to the live environment of MSE Currency Derivatives.

ii. Internet users:

Kindly use the URL <https://trading.msei.in> for SSL VPN login.

After installation start TWS and follow below mentioned steps:

- Go to Tools → System configuration
- Select Mode of Connectivity as “**Internet**”
- After selection click on Modify
- System will set the configuration as selected and TWS will be closed.
- Start TWS and login to the live environment of MSE Currency Derivatives.