

CFFEX Monthly Market Update March 2015

Market News

China Financial Futures Exchange added to its suite of rate products with the listing of a new 10-year Chinese government bond futures contract in March. The contract was listed on March 20th and traded 3417 lots on the first day. The synthetic underlying is a CNY 1 million bond that pays a 3% coupon annually. Notes good for delivery are those with 6.5-10.25 years remaining until maturity. Contract specifications are presented below.

10-year Treasury Futures Contract Specification

Underlying Bond	Nominal treasury bond with face value of CNY1 million and coupon rate of 3%
Deliverable Bond	Treasury coupon bond with the remaining term of 6.5-10.25 years after the first day of the expiry month
Quotation	RMB100 net price
Tick Size	RMB0.005
Contract Months	Three near quarterly months (March, June, September and December cycle)
Trading Hours	09:15 am - 11:30 am, 01:00 pm - 03:15 pm
Trading Hours on Last Trading Day	09:15 am - 11:30 am
Limit Up/Down	+/-2% of settlement price on the previous trading day
Minimum Margin Requirement	2% of the contract value
Last Trading Day	The 2nd Friday of the expiry month of the contract
Last Delivery Day	The 3rd trading day after the last trading day
Delivery Method	Physical delivery
Transaction Code	T
Exchange	China Financial Futures Exchange

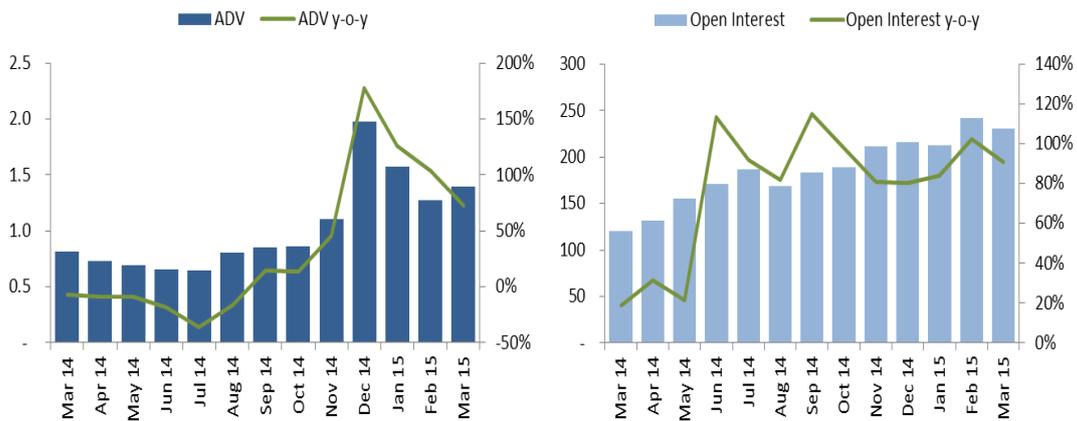
Index Futures

CSI300 Index Futures

Average daily volume (ADV) in benchmark CSI300 futures increased 10% from the month previous to 1.4 million contracts; its first month-over-month increase this year. Meanwhile open interest slipped 4.7% m-o-m to 230,358 contracts. Both volume and open interest, however, grew at robust rates when compared with March last year: 72% and 90% respectively.

Figure 1. Average Daily Volume (millions)

Figure 2. Open Interest (millions)



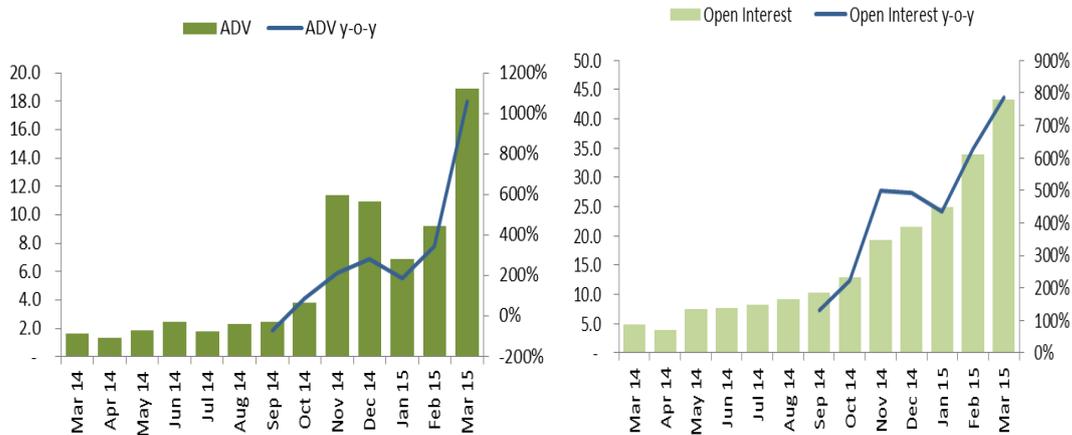
Treasury Futures

5-year Treasury Futures

5-year treasury futures ADV surged in March to 18,861 contracts, establishing a new all-time high. Open interest also climbed higher and reached 43,292 contracts.

Figure 3. Average Daily Volume (thousands)

Figure 4. Open Interest (thousands)



10-year Treasury Futures

As mentioned in the market news, trading in 10-year treasury futures commenced on March 20th. The new product traded 13,812 lots across all contract months and open interest at month-end stood at 4717 contracts. Average daily volume over the eight trading days amounted to 1726 contracts.

Figure 5. Average Daily Volume



Figure 6. Open Interest (thousands)



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