

CFFEX Monthly Market Update May 2015

Market News

On May 27th, China Financial Futures Exchange, Asia’s premier financial derivatives bourse, Shanghai Stock Exchange and Deutsche Börse Group announced a cooperation agreement to establish an offshore RMB product trading platform to be based in Frankfurt, Germany. The joint venture will be responsible for operating a trading platform named China Europe International Exchange.

The new Europe-based platform is a first among Chinese exchanges and will have a broad product offering spanning cash and later, derivatives products denominated in China’s currency. As the market in offshore RMB continues to grow rapidly, CFFEX and its partners aim to provide a world class outlet for the efficient investment of this capital in structures and regulatory environments understood by global investors.

CFFEX welcomes feedback from global market participants on this exciting development. Please find contact information below.

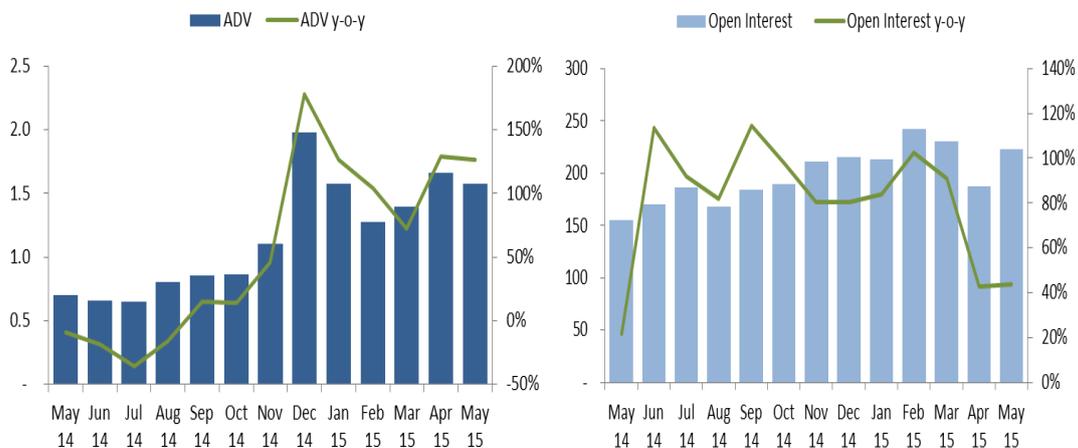
Index Futures

CSI300 Index Futures (trading code: IF)

Average daily volume (ADV) in benchmark CSI300 futures declined slightly m-o-m to 1.57 million contracts; however it was still more than double from May 2014. Meanwhile open interest recovered from its dip last month to 222,926 contracts, but y-o-y growth remained near April’s level at 43%.

Figure 1. Average Daily Volume (millions)

Figure 2. Open Interest (thousands)

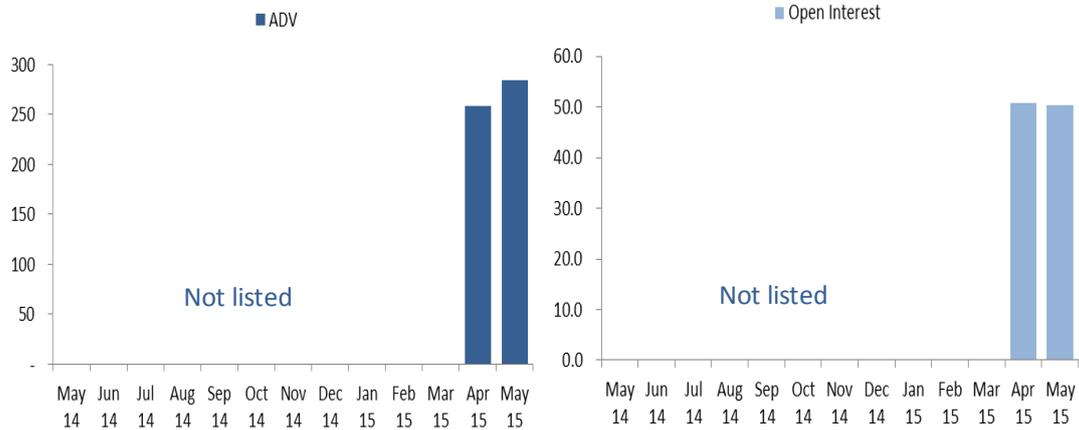


SSE50 Index Futures (trading code: IH)

The second month of trade in SSE50 futures saw ADV reach 284,010 contracts, 9.8% above April's print. Open interest ended the month down slightly by 391 contracts. Trade and open interest are primarily in the front month contract.

Figure 3. Average Daily Volume(thousands)

Figure 4. Open Interest (thousands)

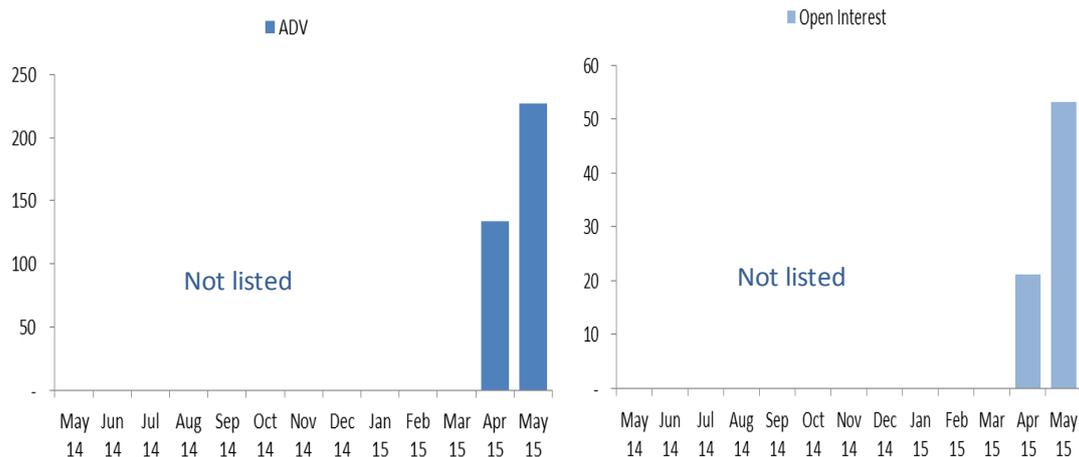


CSI500 Index Futures (trading code: IC)

Trade in the CSI500 index futures contract reached 4.5 million lots across all contract months in May. ADV grew 69% m-o-m to 226,716 contracts and open interest ended the month at 53,134 contracts. The CSI500 index tracks small to mid-size firms which have outperformed blue chips so far this year.

Figure 5. Average Daily Volume(thousands)

Figure 6. Open Interest (thousands)



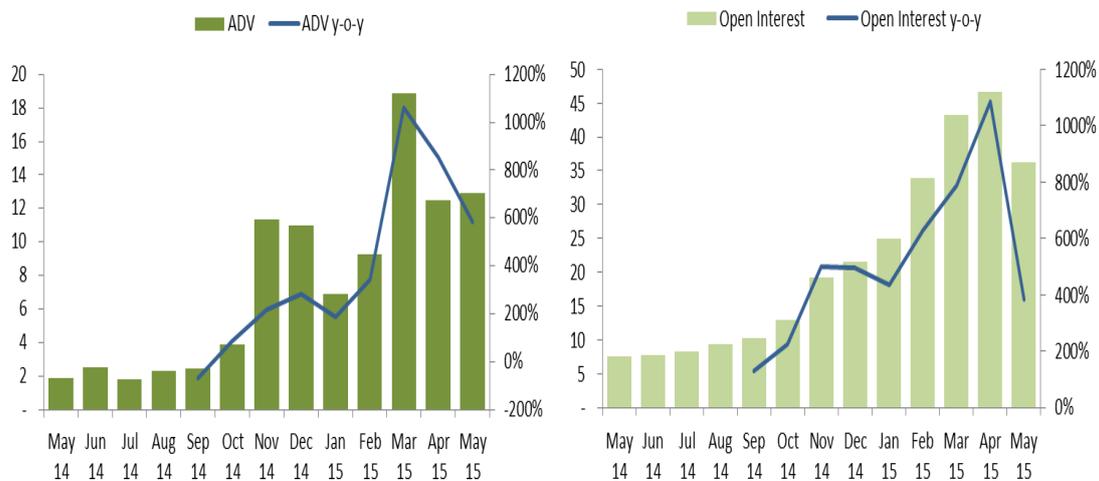
Treasury Futures

5-year Treasury Futures (trading code: TF)

5-year treasury futures ADV inched up from April to 12,936 contracts. Year-over-year growth slowed but remained high above levels a year ago. Open interest declined over 20% m-o-m to 36,253 contracts, its first contraction in a year.

Figure 7. Average Daily Volume (thousands)

Figure 8. Open Interest (thousands)

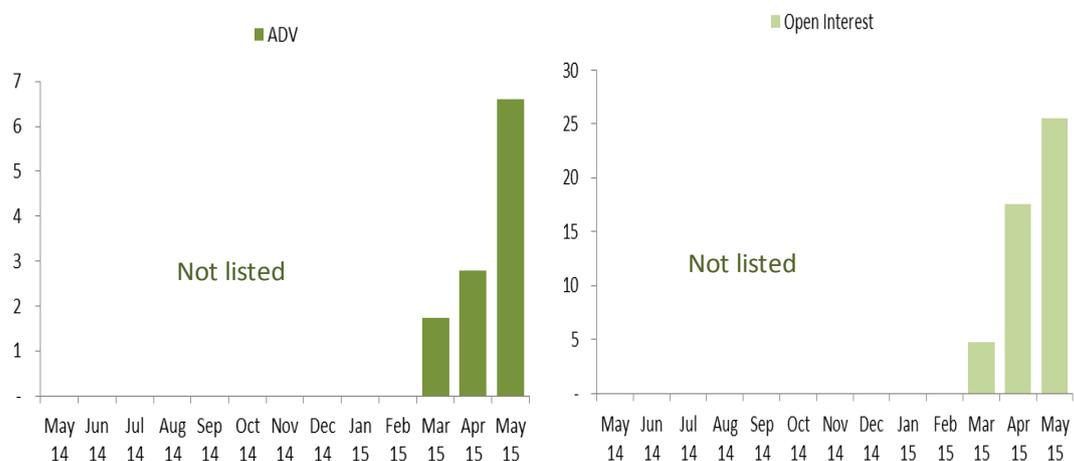


10-year Treasury Futures (trading code: T)

In its first full quarter, 10-year treasury futures traded 132,016 contracts in total. ADV has steadily climbed since launch and more than doubled in May to 6601 contracts. The trend in open interest has also been positive, surpassing 25,000 contracts in May.

Figure 9. Average Daily Volume(thousands)

Figure 10. Open Interest (thousands)



Monthly Product Breakdown

Volume advances in the new index futures contracts saw CSI300 volume share drop from 88% in April to 75% in May, largely as a result of the rapid increase in CSI500 volume. The exchange breakdown of open interest remained little changed from the previous month except for the large increase in CSI500's share (7% to 14%). The top three products by open interest in May were CSI300 (57%), CSI500 (14%) and SSE50 (13%).

Figure 11. Volume Breakdown

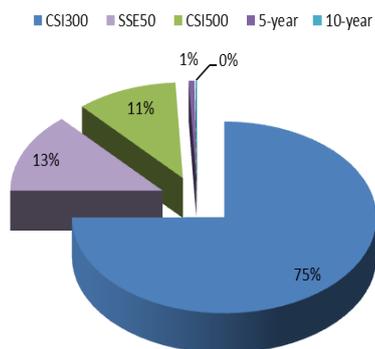
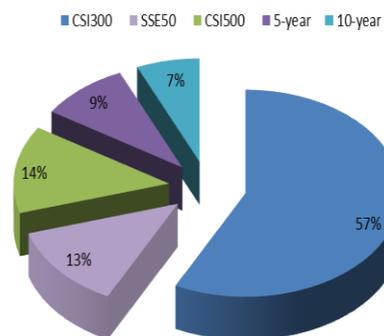


Figure 12. Open Interest Breakdown



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