

CFFEX Monthly Market Update June 2015

Market News

On June 26th 2015, CFFEX updated Treasury futures contracts delivery rules. Now clients who do not declare a valid bond custody account will not be allowed to enter the delivery month. In addition, the delivery rules of 5-year Treasury futures and 10-year Treasury futures were combined into a new “CFFEX Treasury Futures Contracts Delivery Rules” and will come into effect on July 1st 2015.

This regulation change requires clients to declare their valid bond custody account two trading days before the delivery month. Those positions that do not declare will be closed. This new rule will help to screen out those clients who do not possess delivery will and ability.

On June 25th 2015, China Futures upgraded to a full clearing member and Chaos Ternary Futures to a trading-clearing member. Currently, CFFEX has 146 members: 25 full clearing members, 78 trading-clearing members, and 43 trading members.

On June 23rd 2015, Ping An Bank became the 13th designated futures margin depository bank of CFFEX.

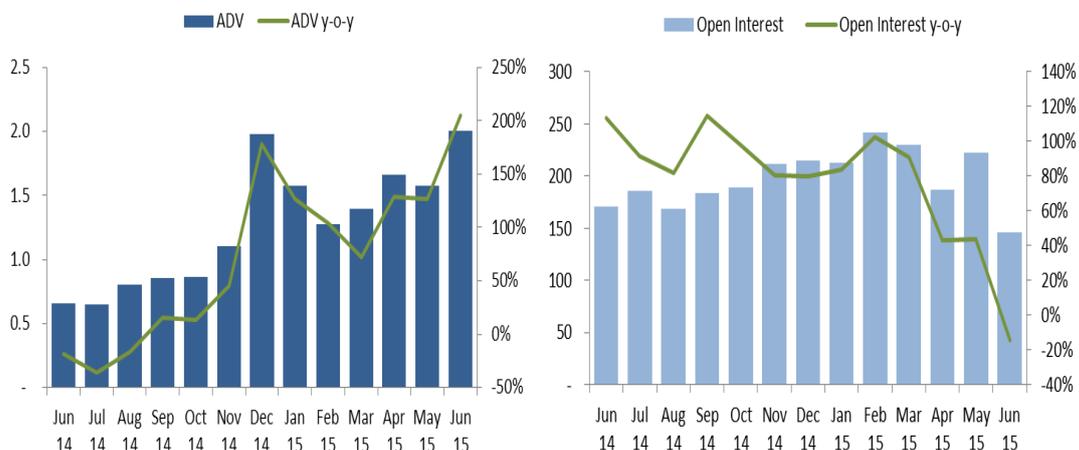
Index Futures

CSI300 Index Futures (trading code: IF)

Average daily volume (ADV) in benchmark CSI 300 futures increased m-o-m to 2 million contracts. However, open interest decreased to 146,514 lots and y-o-y growth contracted for the first time this year. The index performance in late June greatly affected the index futures market.

Figure 1. Average Daily Volume (millions)

Figure 2. Open Interest (thousands)



SSE50 Index Futures (trading code: IH)

The third month of trade in SSE50 futures saw ADV reach 537,616 contracts, nearly double that seen the month previous. Open interest also ended the month with significant m-o-m growth of 54.9% to 78,051 contracts.

Figure 3. Average Daily Volume(thousands)

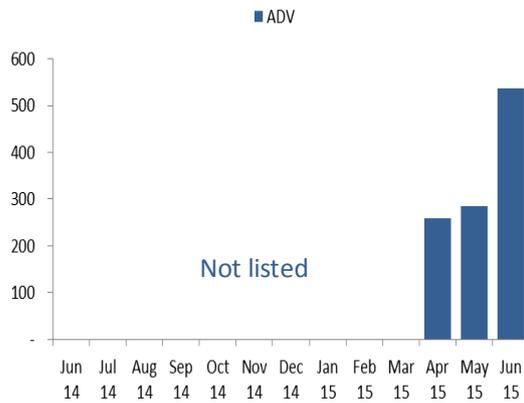
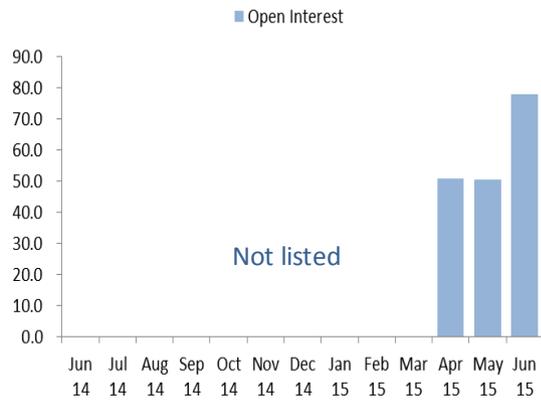


Figure 4. Open Interest (thousands)



CSI500 Index Futures (trading code: IC)

Total trade in the CSI500 index futures reached 7.49 million contracts in June and ADV grew 57% m-o-m to 356,839 contracts. However, open interest at month-end fell to 33,073, down 38% m-o-m. The CSI500 index tracks small to mid-size firms which were greatly affected by market events in late June.

Figure 5. Average Daily Volume (thousands)

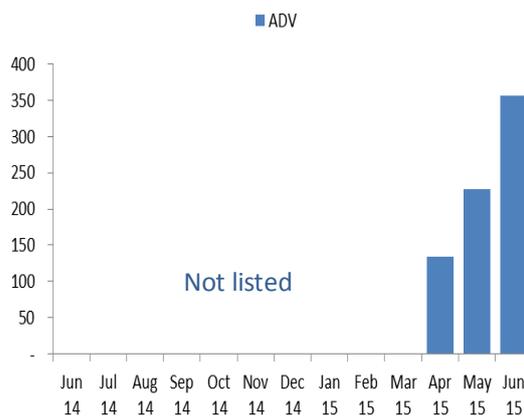
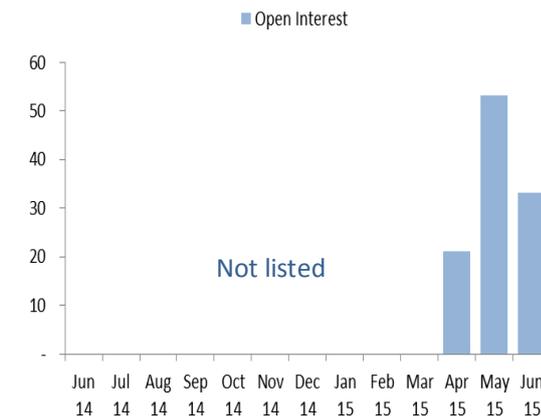


Figure 6. Open Interest (thousands)



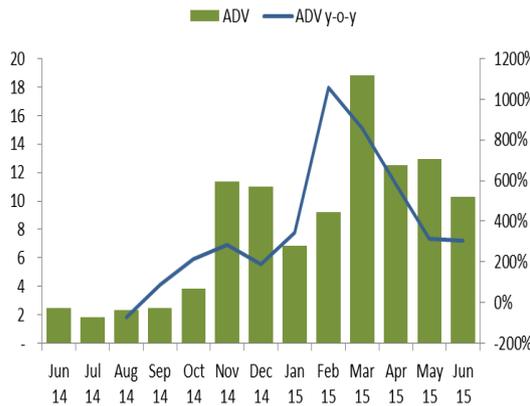
Treasury Futures

5-year Treasury Futures (trading code: TF)

5-year treasury futures ADV declined m-o-m to 10,309 contracts. Year-over-year growth continued to slow, though it was still much higher than a year ago. Open interest contracted 27.6% m-o-m to 26,258 contracts.

Figure 7. Average Daily Volume (thousands)

Figure 8. Open Interest (thousands)

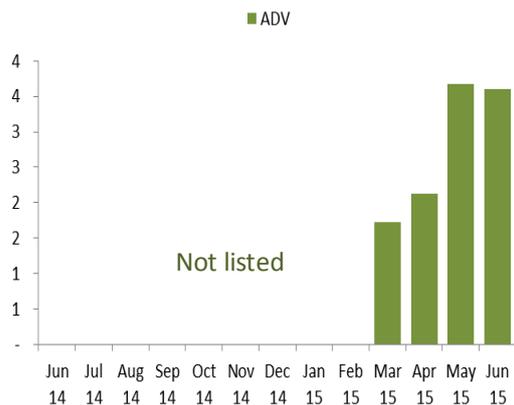


10-year Treasury Futures (trading code: T)

10-year Treasury futures leveled off with a slight decrease in ADV of 2% to 3610 contracts. Open interest declined 22.8% m-o-m and reached 19,732 contracts by the end of June.

Figure 9. Average Daily Volume (thousands)

Figure 10. Open Interest (thousands)



Monthly Product Breakdown

Volume share of CSI300 in June dropped mainly due to the increase in CSI500 and SSE50 volume. The exchange breakdown of open interest changed slightly because the rapid increase in SSE50's share (13% to 26%). The top three products by open interest in June were CSI300 (48%), SSE50 (26%) and CSI500 (11%).

Figure 11. Volume Breakdown

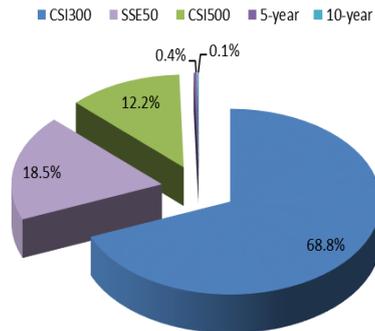
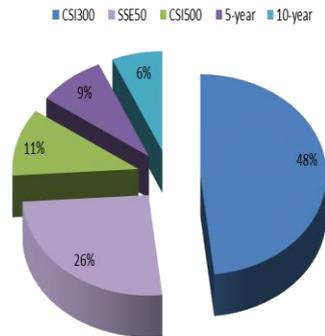


Figure 12. Open Interest Breakdown



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