

**APPENDIX 3
PRODUCTS TRADEABLE ON THE RECOGNISED MARKET
OPERATED BY TRADITION SINGAPORE PTE LTD**

NON-DELIVERABLE FORWARDS

Product Description

Non-Deliverable Forwards (“NDF”) are synthetic foreign currency forward contracts on non-convertible currencies or are traded on currencies with very little liquidity in the market place. These derivatives allow corporates and other investors to hedge or take positions to local currency movements without actually dealing in the underlying notional currency.

A (notional) principle amount, forward exchange rate and forward date are all agreed at the deal inception. The deal is agreed on the basis that net settlement will be made in USD to reflect any differential between the agreed forward rate and the actual exchange rate on the agreed forward date. It is a cash-settled outright forward.

When an NDF deal is contracted, a fixing methodology is agreed. It specifies how a fixing spot rate is determined on the fixing date, which is normally two working days, sometimes one (PHP) before settlement, to reflect the spot value. The source of the agreed fixing spot rate depends on the underlying currency.

Trade Types

Outrights

Contract Specifications

Field	Field Description	Data Field
Currency Pair	Underlying currency	INR/IDR/KRW/TWD/ MYR/PHP/CNY/VND
Notional Amount	The face value amount agreed between two counterparties on the trade date	Integer within limits in USD
Day Count Convention	-	Actual/360, Actual/365
Holiday Calendar	Applied in accordance for the country currency denoted for the instrument	IDJA/INMU/KRSE/TWTA/MYKL/PHMA/ CNBE/VNHA/USNY
Business Day Convention	Modified following with adjustment to period end dates	MODF/ FOLL/ PREC
Tenor	The duration of time from Spot Date to Value Date	A Days B Months C Years, where A, B and C are integers
Spot Date	Normally occurs T+2	

Trade Date	The date the parties enter into the contract	The date where the trade is confirmed
Trade Rate	Contracted NDF rate agreed on the trade date	
Prevailing Spot Rate	Rate obtained based on the Fixing Rate Reference by the central bank on the fixing date	
Fixing Method	Fixing rate is agreed when a trade is initiated	Reuters / Bloomberg Page Reference
Fixing Date	The day where the fixing rate is determined.	As date DDMMYYYY
Value Date	The day when the difference is paid or received. It normally occurs one or two business days from the Fixing date	As date DDMMYYYY

Minimum Contract Size

Contract size minimum is dependent on currency and tenor but normally accepted at USD 1m equivalent. Trades below minimum size may be marketed specifically as “odd lot” or “small size”

Trading day timings

Trading on the Platform principally shall take place on the Business Days for the relevant underlying currency and from 8.00am SGT to 18.00 SGT.

Tradition may extend trading hours for any of the contracts subject to demand from participants and in the case that in any extended period all eligible Participants may participate in the market.

Tradition reserves the right at any time not to make available Product trading at any time in the case that there is insufficient indication of interest from participants.

Trading Rules

The trading rules applied are detailed in <http://www.traditionasia.com/RuleBook>