

# KAZAKHSTAN STOCK EXCHANGE

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**Approved**

by Kazakhstan Stock Exchange  
Management Board decision

(minutes No. 74 of the meeting on July 25,  
2016)

**Effective**

as of August 1, 2016

## **NOTICE**

The Specification below in English has been translated by employees of Kazakhstan Stock Exchange for information purposes only. In case of any incompliance of this translation with the Specification original version in Russian, the latter prevails.

# **SPECIFICATION**

## **for the US dollar to tenge rate futures**

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Almaty

2016

**SPECIFICATION FOR US DOLLAR TO TENGE RATE FUTURES**

Instrument:	futures contract.
Type:	futures.
Underlying assets:	US dollar to tenge rate.
Quantity of underlying asset in the futures contract:	1,000 (one thousand) US dollars.
Price	tenge per US dollar.
Circulation start day <sup>1</sup> :	1) every Monday – for the one-week futures; 2) 15-th date of a particular execution month <sup>2</sup> – for the three-month and six-month futures.
Last circulation day:	business day preceding the execution day – for all currency futures.
Execution day <sup>3</sup>	1) every Monday – for the one-week futures; 2) 15-th date of a particular execution month – for the three-month and six-month futures.
Execution term:	1) one week – for the one-week futures; 2) three months – for the three-month futures; 3) six months – for the six-month futures.

Theoretical price

$$F_{usdkzt} = S_{usdkzt} \cdot \frac{(1 + \frac{r_{kzt}}{100} \cdot \frac{T}{360})}{(1 + \frac{r_{usd}}{100} \cdot \frac{T}{360})}, \text{ where:}$$

$F_{usdkzt}$  – the theoretical price of the corresponding US Dollar to tenge rate futures;

$S_{usdkzt}$  – the weighted average US Dollar to tenge rate by results of the morning trading session (in case of no deals, the weighted average rate by results of the previous morning trading session);

$r_{kzt}$  – indicator Kazakhstan inter-bank deposits market KazPrime, with the term of 3 months, expressed in percentage – for the three-month and six-month futures; or indicator TWINA (Tenge Week Index Average), expressed in percentage – for the one-week futures;

$r_{usd}$  – three month rate of bid on London inter-bank deposits market on US Dollar in percentage – for the three-month and six-month futures; or one-

<sup>1</sup> If the circulation start day coincides with a holiday or a day-off, then the circulation start day is the next working day on which the exchange-based trading in futures contracts is conducted.

<sup>2</sup> Hereinafter, the execution month means one of the months which falls on the end of the quarter: March, June, September, December.

On the day execution of futures contracts the trading in three-month and six-month futures contracts begins, which were not traded before.

On the day of execution of the three-month series of futures contracts, the six-month series of futures contracts, opened earlier, becomes a three-month series of futures contracts.

<sup>3</sup> If the execution day coincides with a holiday or a day-off, then the execution day is the next working day on which the exchange-based trading in futures contracts is conducted.

## Specification for the US dollar to tenge rate futures

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	week bid rate on the London inter-bank deposits market (LIBOR) on the US dollar, in percentage – for the one-week futures;
	T – number of calendar days from the current date till the date of the respective futures execution (basis – actual/360).
Final settlement price <sup>4</sup> :	the weighted average US dollar rate based on the morning and day trading sessions, with settlement on the trading day; if for any reasons, trading in that instrument is not conducted, then the weighted average US dollar rate based on the morning and day trading sessions is applied, with the settlement mode T+n.
Execution:	without delivering the underlying asset with payment/receipt of an equivalent in tenge of the difference between the settlement price defined during the last market adjustment and the final settlement price.
Last day of exchange-based trading:	the last business day preceding the execution day of that contract.
Price measurement unit:	Tenge per US dollar with accuracy of two decimals
Tick:	0.01.
Tick cost estimate:	10 tenge.
Maintenance margin rate:	80 % from the liability on initial margin.
Term of execution of net liabilities towards the Exchange:	before 10.00 a.m. of the working day following the day, by results of which the net liabilities arose.

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<sup>4</sup> This settlement price is applied only to futures opened before August 1, 2016.