

Annexure B

PMEX US Equity 2NSDQ 100 Index Futures Contract Specification		
1	Trading hours	Hours of Trading in the PMEX US Equity 2 NSDQ 100 Index Futures Contract shall be Monday to Friday (excluding Exchange specified holidays) as given below or as specified by the Exchange from time to time: Normal Trading Session: 05:00 am to 2:00 am PST On the last trading day contract will be closed at 04:00 pm
2	Contract Size	\$2 x US Equity 100 Index
3	Trading System	PMEX ETS
4	Price Quotation	Index value
5	Tick size	0.25 Index Points or as specified by the Exchange
6	Tick Value	0.50 USD or as specified by the Exchange
7	Contract Months	At any date, a minimum of 1 Quarterly expiry contracts in the Mar-Jun-Sep-Dec cycle or any other month as listed by the Exchange
8	Last Trading Day	One day before the 3 rd Friday of the contract month or any other day as specified by the Exchange.
9	Holiday Convention	In case the last trading falls on an Exchange holiday, previous day will be designated as last trading day.
10	Settlement Mode	Cash Settlement in Pakistani Rupees.
11	Daily Settlement Price	Exchange will determine daily settlement price using one of the methods described hereunder or in such other manner as specified by the Exchange from time to time: <ul style="list-style-type: none"> • Average of best bid and offer prices at the time of closing. • Last traded Price • The last publically available price of the corresponding month of mini NASDAQ 100 Index Futures Contract from a source as determined by the Exchange at the time of closing.
12	Final Settlement Price	Final settlement price will be the daily settlement price on the last trading day of the contract or as specified by the Exchange.
13	Daily Settlement	Daily Settlement of PMEX US Equity 2NSDQ 100 Index Futures Contract will result in a cash settlement amount in Rupees. The daily cash settlement amount shall be the day's mark-to-market profit or loss amount in Rupees based on the Daily Settlement Price of the PMEX US Equity 2NSDQ 100 Index Futures Contract converted at the USDPKR Exchange rate as determined and notified by the Exchange.
14	Final Settlement	Final Settlement of PMEX US Equity 2NSDQ 100 Index Futures Contract will result in the delivery of a cash settlement amount in Rupees on the Final Settlement Date. The cash settlement amount on the Final Settlement Date shall be the last trading day's mark-to-market profit or loss amount in Rupees based on the Final Settlement Price of the PMEX US Equity 2NSDQ 100 Index Futures Contract converted at the USDPKR Exchange rate as determined and notified by the Exchange.
15	Position Limit	Up to 12,50,000 12,50,000 contracts per Broker (including proprietary and all its customers)

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		Up to 5,000 contracts per Customer of Broker.
16	Margin Requirement	The amount of margin payable by Brokers in respect of their outstanding contracts shall be determined by the Exchange. Exchange will amend margin requirement whenever necessary or required due to changes in market conditions and risk management principles. All Margins will be collected in Pakistani Rupees.
17	Initial Margin	Initial Margin will be based on VaR methodology at 99% Confidence Interval over a 1-day Time Horizon, rounded up to the nearest 0.25% or as specified by the Exchange from time to time.
18	Special Margin	Exchange reserves the right to impose special margins for short duration of time during periods of increased or excessive volatility. Special margins will be computed by increasing the look-ahead period, reducing sample size, or by changing any other parameters used in the VaR methodology.
19	Further Regulations	This contract shall be subject, where applicable, to the Futures Market Act, 2016 and PMEX Rule Book of the Pakistan Mercantile Exchange Limited.