USD/CNH Currency Futures
- Final Settlement Process for Buyer (for illustration purpose only)

**LTD - 1**
- Buy 1 spot month contract, @ RMB 6.3011
- CQ: RMB 6.3010
- VA loss: 6.3010 - 6.3011 - 0.0001 X 100,000* = - RMB 10
- Assume Margin Requirement*: - RMB 7,561

**LTD**
- By 09:15
- Clearing House Collects RMB 7,571 (RMB 10 + RMB 7,561)
- Underlying Price @ market close: RMB 6.2980
- Final Settlement Price: RMB 6.3000

**LTD + 1**
- By 09:15
- Clearing House Collects RMB 300 (RMB 100 + RMB 200*)
- Delivery P/L Margin (DR):
  - 6.2980 - 6.3000 - 0.0020 X 100,000* = - RMB 200*

**Final Settlement Day**
- By 09:15
- Clearing House Collects RMB 622,239
- After 14:30
- Upon receipt of withdrawal request from Participant, Clearing House releases the USD delivery of USD 100,000 to Participant’s bank account

**RMB payment obligations**
- Final Settlement Value 630,000
- Margin release – 7,561
- Delivery P/L margin release = 200*
- RMB 622,239

**USD delivery**
- USD100,000

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* Contract size = USD 100,000
* Spot month charge included, if applicable
* Losses arising from the Delivery P/L margin will be added to and collected as Clearing House margin payable
USD/CNH Currency Futures
- Final Settlement Process for Seller (for illustration purpose only)

**LTD - 1**

Sell 1 spot month contract, @ RMB 6.3011

**CQ**: RMB 6.3010

**VA gain**: 6.3011
- 6.3010
= + RMB 10

**Day-end Processing After 16:45**

Assume Margin Requirement**: ~ RMB 7,561

**LTD**

By 09:15

Clearing House Collects RMB 7,551 (~ RMB 10 + RMB 7,561)

~11:15

Final Settlement Price: RMB 6.3000

Underlying Price @ market close: RMB 6.2980

**LTD + 1**

By 09:15

VA gain: 6.3010
- 6.3000
= + RMB 10

USD delivery obligation USD100,000

**Final Settlement Day**

After 14:30

Upon receipt of withdrawal request from Participant, Clearing House releases the VA gain and Margin (Cr), i.e. RMB 300 (RMB 100 + RMB 200*) to Participant’s bank account

**CQ**: RMB 6.3010

VA gain: 6.3011
- 6.3010
= + RMB 10

RMB receivable Final Settlement Value 630,000
Margin release + 7,361* RMB 637,361

**Clearing House Collects USD 100,000**

**Clearing House Collects RMB 7,551 (~ RMB10 + RMB 7,561)**

**Clearing House Collects RMB 637,361 to Participant’s bank account**

**Clearing House Collects RMB 7,551 (~ RMB10 + RMB 7,561)**

After 16:45

Upon receipt of withdrawal request from Participant, Clearing House releases the VA gain and Margin (Cr), i.e. RMB 300 (RMB 100 + RMB 200*) to Participant’s bank account

**CQ – Closing Quotation**

**LTD – Last Trading Day**

**VA – Variation Adjustment**

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* Contract size = USD 100,000
* Spot month charge included, if applicable
* Profits arising from the Delivery P/L margin will be offset against Clearing House margin payable, i.e. RMB 7,561 – RMB 200 = RMB 7,361