-

NSE Clearing

Circular

NSE Clearing Limited
(Formerly known as National Securities Clearing Corporation Limited)

Department : Commodity Derivatives Segment	
Download Ref No: NCL/COM/46774	Date: December 22, 2020
Circular Ref. No: 0405/2020	

All Members,

Sub: Review of Additional Risk Management measures for Brent Crude Contracts

This is in modification to our circular no.0164/2020 (Download reference no NCL/COM/44287) dated April 30, 2020.Additional Risk Management measures for Brent Crude Contracts shall be modified as under:

A. Reduction in Initial Margins

A Minimum Initial margin of 50% shall be levied on all existing and yet to be launched Brent Crude Oil contracts

B. Withdrawal of Additional Margins:

Additional Margin of Rs. 1,00,000 (near month) and Rs.50,000 (other expiries) levied on Brent Crude Oil contracts shall be withdrawn.

C. Additional Margin based on price movement :

It shall continue to remain in force as per the provisions of circular NCL/COM/44287 dated April 30, 2020

D. Spread Margin benefit:

Spread margin benefit on Initial Margins shall be provided in Brent Crude Oil contracts. The benefit in initial margin shall be permitted only when each individual contract in the spread is from amongst the first three expiring contracts. Spread margin benefit on spread positions shall be entirely withdrawn on the start of the expiry day.

The provisions of this circular shall be applicable from beginning of day on **December 23, 2020**

Members are requested to take note of the above.

For and on behalf of
NSE Clearing Limited
(Formerly known as National Securities Clearing Corporation Limited)

Sijo Eluvathingal
Associate Vice President

Telephone No	**Fax No**	**Email id**
1800 266 0050	022-26598243	risk_ops@nsccl.co.in