

NSE Clearing Limited

(Formerly known as National Securities Clearing Corporation Ltd.)

Circular

Department: Commodity Derivatives Segment	
Download Ref No: NCL/COM/58228	Date: September 05, 2023
Circular Ref. No: 0302/2023	

All Members,

Sub: Review of Margin Framework for Commodity Derivatives Segment

This is in modification to our circular no. 0085/2023 (Download Ref no NCL/COM/55878) dated March 06, 2023 and with reference to SEBI Circular dated January 27, 2020 on Review of Margin Framework for Commodity Derivatives Segment and SEBI circular dated January 11, 2021 on Review of Volatility Scan Range (VSR) for Option contracts in Commodity Derivatives Segment.

Following shall be the categories of the commodities based on the criteria specified in abovementioned circular:

Commodities	Commodity Type	Volatility Category	Applicable Minimum IM %	Short Option Minimum Margin %	Applicable Minimum MPOR	Applicable Minimum VSR (%)
GOLDM	Non -Agri	Low	6	6	2	4
GOLDEXCUST/ GOLD1G	Non -Agri	Low	6	N. A	2	N. A
SILVER	Non -Agri	High	10	10	3	6
BRENT CRUDE OIL*	Non -Agri	High	10	N.A.	3	N.A.
NATURALGAS [#]	Non -Agri	High	10	N.A.	3	N.A.
WTICRUDE [#]	Non -Agri	High	10	N.A.	3	N.A.
COPPER	Non -Agri	High	10	10	3	6

*Note: As per NCL circular no. NCL/COM/52842 dated July 01,2022 applicable IM (%) is 30%

#Note: As per NCL circular no. NCL/COM/58123 dated August 28, 2023 applicable IM (%) for WTICRUDE and NATURAL GAS is 33% and 13% respectively.

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Note:

- The Minimum IM % mentioned in the above table shall not be scaled up by MPOR.
- For options on goods, MPOR shall be at least equal to three days or MPOR of corresponding futures contracts, whichever is higher
- All other margins inter alia Extreme Loss Margin, ICMTM Margin, Tender Period Margin, Delivery Period Margin, Concentration Margin, Additional Margin and Special Margin as currently applicable shall continue.

The provisions of this circular shall be applicable from beginning of day on October 03, 2023.

Members are requested to take note of the above.

For and on behalf of
NSE Clearing Limited
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Huzefa Mahuvawala
Senior Vice President

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