

USD/NGN OTC FX FUTURES CONTRACT SPECIFICATION

Name	FMDQ Naira-settled OTC FX Futures
Contract	US Dollar/Nigerian Naira OTC FX Futures Contract
Underlying Instrument	Rate of exchange between one (1) US Dollar and Nigerian Naira (USD/NGN)
Contract Code	NGUS [Contract Expiry Month, Day & Year]; e.g. NGUS JUN 24 2020
Quote Convention	Price; in NGN per USD to two (2) decimal points
Trading System	FMDQ Futures Trading & Reporting System (FFTRS)
Trading Hours	9:00 AM – 2:00 PM
Standard Contract Tenors	The contract cycle consists of sixty (60) consecutive monthly contracts
Expiry Date	Contracts expire on the last Wednesday of each calendar month
Termination of Trading	Trading shall cease at 2:00 PM, eight (8) calendar days before the expiry date of each respective contract. i.e. the Tuesday preceding the week the contract expires
Settlement Method	<ul style="list-style-type: none"> ▪ Cash-settled in Nigerian Naira ▪ Margin Calls: T + 0 ▪ Final Settlement: T + 0
Mark to Market Model	As determined in the FMDQ NAFEX ¹ Methodology
Final Settlement Price	NAFEX Spot on Expiry Date
Clearing Agent	FMDQ Clear Limited (FMDQ Clear)
Margin Requirements	Initial Margin – As determined and communicated by FMDQ Clear ² Maintenance Margin – 75% of Initial Margin
Position Limit	Subject to CBN-Advised Foreign Currency Trading Position Limit

¹ Nigerian Autonomous Foreign Exchange Fixing

² <https://www.fmdqgroup.com/wp-content/uploads/2020/02/FMDQ-Clear-OTC-FX-Futures-Initial-Margin-Requirements.pdf>