

**SSEFC Copper Spread Trading Contract (Pilot Run)**

(Prepared in June 2015)

<b>Trading Symbol</b>	CS
<b>Subject Matter of Contract</b>	Copper Spread
<b>Contract Value</b>	1 ton/lot
<b>Currency</b>	Yuan ( RMB ) /ton
<b>Minimum Price Fluctuation</b>	5 Yuan/ton
<b>Main Contract Month</b>	4 months following the month of the contract execution
<b>Trading Time</b>	9:00-10:15, 10:30-11:30, 13:30-15:00
<b>Maximum Daily Price Fluctuation Limit</b>	±4% of the settlement price of previous trading day
<b>Minimum Percentage of Deposit</b>	10%
<b>Last Trading Day</b>	15th of the month in which the contract expires (as per the listing announcement of the contract)
<b>Settlement Method</b>	Cash Settlement
<b>Transaction Processing Fee</b>	1 Yuan/lot (to be paid by one party)
<b>Same-Day Position Closing Fee</b>	Temporarily waived

**Handling Fee** 2 Yuan/lot (to be paid by one party)

**Transferability** Transferable between traders

### Note 1: Copper Spread

Copper Spread refers to the price differences between end-of-day settlement price of copper future contracts from the Shanghai Futures Exchange, and sum of the Official Price of three month copper electronic trading contract on same trading day at 15:00 o' clock (Beijing time) and 3-month premium of copper spot price from the London Metal Exchange.

The Official Price of three month copper electronic trading contract, which refers to the first traded price conducted at 15:00 o' clock (Beijing time), if no such price is available, most recent traded price prior to 15:00 o' clock (Beijing time) will be used.

If neither spot price nor 3-month premium are available, then most recent available prices will be used.

Foreign exchange rate refers to the middle rate of RMB yuan against US dollar published by the China Foreign Exchange Trade Center (CFETC).

$$\text{Cu Spread} = \text{CU.SHFD} - (\text{CA.LMED} + \text{CA.03}) * \text{ER}$$

- 1 . Cu Spread refers to copper spread;
- 2 . *CU.SHFD* refers to the end-of-day settlement price of the copper futures from the Shanghai Futures Exchange;
- 3 . *CA.LMED* refers Official Price of three-month copper electronic trading contract from the London Metal Exchange
- 4 . *CA.03* refers the 3-month premium of copper physical price from the London Metal Exchange.
- 5 . *ER* refers to the middle rate of RMB yuan against US dollar published by the China Foreign Exchange Trade Center (CFETC).

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**Note 2 : Daily Settlement Price**

Daily Settlement Price comes from all transactions calculated according to the volume-weighted average price within the trading day .

**Note 3: Delivery Price**

Delivery price refers to the arithmetic mean of the copper spread in the last five trading days (including the last trading day). (Precision integers)