

China's 4th internationalized product - TSR 20 Futures to be listed on August 12, 2019

The *China Securities Regulatory Commission* (“CSRC”) has approved the listing of TSR 20 (Technically Specified Rubber) futures contract on the International Energy Exchange (“INE”) starting from **August 12th, 2019**. It will be **the fourth** Chinese commodity market available to the international investors, after the crude oil, iron ore and PTA futures.

China is the biggest TSR 20 rubber consumer in the world. According to Shanghai Futures Exchange, China consumed 3.07 million metric tons TSR 20 rubber in 2016, equivalent to 40.8% of total global supply. Another rubber futures, Natural Rubber, was listed on the Shanghai Futures Exchange in 1993. According to China Futures Association, 61,845,475 lots natural rubber contracts were traded in 2018, and the notional value was over 73 billion RMB (\$10.6 billion), making natural rubber the 15th most liquid futures market in China.

According to Shanghai Futures Exchange, the exchange looks to launch the low-sulfur bunker fuel oil (heating oil) futures contract open to international investors and traders by the end of this year.

Contract Specification	INE TSR 20 (rubber)	SHFE Natural Rubber	TOCOM TSR 20	TOCOM Natural Rubber	SICOM TSR 20	SICOM Natural Rubber
Product	TSR 20 (Technically Specified Rubber)	Natural Rubber	TSR 20	Ribbed Smoked Sheet (RSS) No.3 Rubber	TSR 20	Ribbed Smoked Sheet 3 (RSS 3)
Contract Size	10 metric tons/lot	10 metric tons/lot	5,000 kg (5 tons) /lot	5,000 kg (5 tons) /lot	5,000 kg (5 tons) /lot	5,000 kg (5 tons) /lot
Price Quotation	(RMB) Yuan/metric ton	(RMB) Yuan/metric ton	JPY/kg	JPY/kg	US cents/kg	US cents/kg
Minimum Price Fluctuation	5 Yuan/metric ton	5 Yuan/metric ton	JPY 0.1 per kg	JPY 0.1 per kg	0.1 US cents per kg	0.1 US cents per kg
Settlement Type	Physical delivery	Physical delivery	Physical delivery	Physical delivery	Physical delivery	Physical delivery
Listed Contracts	12 monthly contracts	Jan, Mar, Apr, May, Jun, Jul, Aug, Sep, Oct and Nov	Six consecutive months	Six consecutive months	12 consecutive months	12 consecutive months
Last Trading Day	The 15th day of the delivery month	The 15th day of the delivery month	Day session of the last business day of the month immediately preceding the delivery month.	Day session on the fourth business day preceding to the Delivery Day	Last business day of the month preceding the delivery month	Last business day of the month preceding the delivery month
Minimum Margin Rate	7% of contract value	5% of contract value	Calculated based on SPAN Margining System		Please refer to the Exchange website	
Trading Hours	Beijing Time: 9:00-11:30 am, 1:30-3:00 pm, and other trading hours prescribed by INE.	Beijing Time: 9:00 am to 11:30 am, 1:30 pm to 3:00 pm.	Day Session (JST): Opening Call Auction: 8:45 am; Continuous Trading: 8:45 am to 3:10 pm; Closing Call Auction: 3:15 pm. Night Session (JST): Opening Call Auction: 4:30 pm; Continuous Trading: 4:30 pm to 6:55 pm; Closing Call Auction: 7:00 pm.		Singapore Time: Electronic trading 7.55am – 6.00pm	Singapore Time: Electronic trading 7.55am – 6.00pm
Listing Exchange	Shanghai International Energy Exchange (INE)	Shanghai Futures Exchange (SHFE)	Tokyo Commodity Exchange (TOCOM)	Tokyo Commodity Exchange (TOCOM)	Singapore Commodity Exchange (SICOM)	Singapore Commodity Exchange (SICOM)

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