Document		
	Type	Announcement
	Sayısı	2020/47
	Subject	Changes in Derivatives Market Procedure
	Apr. Date	23/07/2020
	From	Derivatives Market
	To	Members, Data Vendors and Independent Software Vendors (ISVs)

To Whom It May Concern,

Ref: Announcement dated 15/05/2020 and numbered 2020/34.

On 27th of July, "Removal of Two Zeros From Equity Indexes" project will go live and the features of the index futures and options contracts that are traded at Derivatives Market will change as specified below.

- **Changes in Underlyings:**
  - D_XU030D, D_X10XBD and D_XLBNKD underlyings, corresponding to one-thousandth of the spot indices, will be synchronized to two zero removed spot indexes.

- **Changes in Futures Contracs:**
  - Contract size will be reduced from 100 to 10.
  - The minimum price tick will be increased from 0.025 to 0.25.
  - No changes will be made to the contract codes.
  - No changes will be made in TRY value of the contract.

- **Changes in Options Contracts:**
  - Contract size will be reduced from 100 to 10.
  - Existing strike prices will be multiplied by 10, strike price ticks will be increased from 2 to 20.
  - No changes will be made in minimum price tick.
  - The contract codes will be updated with the new strike prices and the existing positions will be moved to new contracts with corporate action function
  - No changes will be made in TRY value of the contract.
  - Daily price limits will be applied as +300 (fixed) for the contracts with base price 100.00 and upper.

- **Changes in Market Maker Obligations:**
  - "Best Bid Price" and "Maximum Spread" values, determined for market maker obligations will be updated in accordance with the changes made to the contracts.

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In this context, the amendments specified in the attached revision comparison table will be made in theDerivatives Market Procedure. The updated version of the Procedure is available on the Borsa İstanbul web-site (https://www.borsaistanbul.com/en/sayfa/4028/procedures).

Kindly for your information.

Yours Sincerely,

Ali ÖMÜRBEK
Executive Vice President

Attachment: Revision Comparison Table of Derivatives Market Procedure (10 pages).

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Attachment-1: Revision Comparison Table of Derivatives Market Procedure

OLD TEXT

5.3 Contract codes

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Table 2: Code For Options Contracts

Code	Explanation
O_	Instrument group (Options)
XU030	Underlying asset code
E	Exercise style (A: American-The contractual right can be used on any date until or on expiry date, E: European-The contractual right can be used on expiry date)
0417	Expiration date (Ex. April 2017)
C	Option class (C: Call option P: Put option)
~~**92.000**~~	Strike price

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Tablo 4: Contract Code For Flexible Option Contracts

Code	Explanation
TM_O	Flexible Option Contract
XU030	Underlying Asset Code
E	Exercise style (A: American-The contractual right can be used on any date until or on expiry date, E: European-The contractual right can be used on expiry date)
250419	Expiration Date (Ex. 25 April 2019)
C	Option class (C: Call option P: Put option)
~~**123.000**~~	Strike Price

NEW TEXT

5.3 Contract codes

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Table 2: Code For Options Contracts

Kod	Açıklama
O_	Instrument group (Options)
XU030	Underlying asset code
E	Exercise style (A: American-The contractual right can be used on any date until or on expiry date, E: European-The contractual right can be used on expiry date)
0417	Expiration date (Ex. April 2017)
C	Opsiyon sınıfı (C: Alım opsiyonu P: Satım opsiyonu)
1240.00	Strike price

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Table 4: Contract Code For Flexible Option Contracts

Code	Explanation
TM_O	Flexible Option Contract
XU030	Underlying Asset Code
E	Exercise style (A: American-The contractual right can be used on any date until or on expiry date, E: European-The contractual right can be used on expiry date)
250419	Expiration Date (Ex. 25 April 2019)
C	Option class (C: Call option P: Put option)
1235.00	Strike Price

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APPENDIX-1: CONTRACT SPECIFICATIONS OF BORSA İSTANBUL DERIVATIVES MARKET **C. BIST 30 Options Contract**		**APPENDIX-1: CONTRACT SPECIFICATIONS OF BORSA İSTANBUL DERIVATIVES MARKET** **C. BIST 30 Options Contract**	
Contract Size	~~**Underlying security is the 1/1000 of the index values**~~. Contract size is 10~~**0**~~ underlying securities. (For example, BIST-30 Index~~**/1,000)**~~* TRY 10~~**0**~~ = (~~**78,000/1,000**~~)*10~~**0**~~ = TRY 7,800.00).	Contract Size	Contract size **for the index options** is 10 underlying securities. (For example, BIST-30 Index * TRY 10 = (**1,240.00**)*10 = TRY **12,400.00**).
Expiry Day (Final) Settlement Price	For call options, The final settlement price shall be calculated by weighting of the time weighted average of index values of the last 30 minutes of continuous auction in the equity market and closing price of the index with 80% and 20%, respectively. The difference between the calculated weighted average price ~~**divided by 1000**~~ (final settlement price of pertaining contract month's BIST30 Index Futures) and strike price is rounded to the nearest price tick and called as the final settlement price. For put options, The final settlement price shall be calculated by weighting of the time weighted average of index values of the last 30 minutes of continuous auction in the equity market and closing price of the index with 80% and 20%, respectively. The difference between strike price and the weighted average price ~~**divided by 1000**~~ (final settlement price of pertaining contract month's BIST30 Index Futures) is rounded to the	Expiry Day (Final) Settlement Price	For call options, The final settlement price shall be calculated by weighting of the time weighted average of index values of the last 30 minutes of continuous auction in the equity market and closing price of the index with 80% and 20%, respectively. The difference between the calculated weighted average price (final settlement price of pertaining contract month's BIST30 Index Futures) and strike price is rounded to the nearest price tick and called as the final settlement price. For put options, The final settlement price shall be calculated by weighting of the time weighted average of index values of the last 30 minutes of continuous auction in the equity market and closing price of the index with 80% and 20%, respectively. The difference between strike price and the weighted average price (final settlement price of pertaining contract month's BIST30 Index

	nearest price tick and called as the final settlement price. The final settlement price will be determined by the Settlement Price Committee if the session and/or closing session in the spot market was partly or entirely closed, or price was not discovered despite the fact that the market was open on the last trading day.
Strike Prices	Strike price tick is 2 (~~**2,000 index points)**~~ By taking previous day's closing price of underlying (index) in spot market as base price and using theoretical price calculation method, at-the-money price levels are determined. Contracts with eleven different (one at-the-money, two in-the-money and eight out-of-the-money) strike price levels are opened. In addition to standard strike prices, flexible contracts can be created by users with the strike prices which are between below/above 20% of minimum/maximum of the current strikes.

D. BIST 30 Futures Contract

Contract Size	~~**Underlying security is the 1/1000 of the index values.**~~ Contract size for the index futures is 10~~**0**~~ underlying securities. (For example, BIST-30 Index~~**/1,000)**~~* TRY 10~~**0**~~ = (~~**78,000/1,000**~~)*10~~**0**~~ = TRY ~~**7,800.00**~~).

	Futures) is rounded to the nearest price tick and called as the final settlement price. The final settlement price will be determined by the Settlement Price Committee if the session and/or closing session in the spot market was partly or entirely closed, or price was not discovered despite the fact that the market was open on the last trading day.
Strike Prices	Strike price tick is 2**0**. By taking previous day's closing price of underlying (index) in spot market as base price and using theoretical price calculation method, at-the-money price levels are determined. Contracts with eleven different (one at-the-money, two in-the-money and eight out-of-the-money) strike price levels are opened. In addition to standard strike prices, flexible contracts can be created by users with the strike prices which are between below/above 20% of minimum/maximum of the current strikes.

D. BIST 30 Futures Contract

Contract Size	Contract size for the index futures is 10 underlying securities. (For example, BIST-30 Index* TRY 10 = (**1,240.00**)*10 = TRY **12,400.00**).
Price Quotation and Minimum Price Tick	On the order book, prices are shown on the basis of 1 unit of underlying asset. In other words, the

Price Quotation and Minimum Price Tick	On the order book, prices are shown on the basis of 1 unit of underlying asset. In other words, the offers for index futures in the Market are entered on the basis of the price given on the basis of 1 unit of the underlying asset. ~~After~~ **I**~~i~~ndex value is ~~divided by 1,000 the price of an index future~~ entered into the trading system with ~~three~~ digits after the comma, and the minimum price tick is 0.~~0~~25 ~~(25 BIST 30 Index Point)~~ (for example: ~~102.325~~, ~~102.350~~, etc.). Quantity offers are entered as 1 contract and its multiples.
Expiry Day (Final) Settlement Price	The final settlement price of BIST 30 futures contracts shall be calculated by weighting of the time weighted average of index values of the last 30 minutes of continuous auction in the equity market and closing price of the index with 80% and 20%, respectively. The calculated weighted average is ~~divided by 1000,~~ rounded to the nearest price tick~~, and called as the final settlement price.~~ The final settlement price will be determined by the Settlement Price Committee if the session and/or closing session in the spot market was partly or entirely closed, or price was not discovered despite the fact that the market was open on the last trading day.

E. BIST Liquid Banks Futures Contract

	offers for index futures in the Market are entered on the basis of the price given on the basis of 1 unit of the underlying asset. Index value is entered into the trading system with **two** digits after the comma, and the minimum price tick is 0.25 (for example: **1,240.25**, **1,240.50** etc.). Quantity offers are entered as 1 contract and its multiples.
Expiry Day (Final) Settlement Price	The final settlement price of BIST 30 futures contracts shall be calculated by weighting of the time weighted average of index values of the last 30 minutes of continuous auction in the equity market and closing price of the index with 80% and 20%, respectively. The calculated weighted average is rounded to the nearest price tick. The final settlement price will be determined by the Settlement Price Committee if the session and/or closing session in the spot market was partly or entirely closed, or price was not discovered despite the fact that the market was open on the last trading day.

E. BIST Liquid Banks Futures Contract

Contract Size	Contract size for the index futures is 10 underlying securities. (For example, BIST Liquid Banks Futures Index* TRY 10 = (**1,240.00**)*10 = TRY **12,400.00**).

Contract Size	~~**Underlying security is the 1/1000 of the index values.**~~ Contract size for the index futures is 10~~**0**~~ underlying securities. (For example, BIST Liquid Banks Index~~**/1,000)**~~* TRY 10~~**0**~~ = (~~**78,000/1,000**~~)*10~~**0**~~ = TRY ~~**7,800.00**~~).
Price Quotation and Minimum Price Tick	On the order book, prices are shown on the basis of 1 unit of underlying asset. In other words, the offers for index futures in the Market are entered on the basis of the price given on the basis of 1 unit of the underlying asset. ~~**After**~~ **I**~~i~~ndex value is ~~**divided by 1,000 the price of an index future**~~ entered into the trading system with ~~**three**~~ digits after the comma, and the minimum price tick is 0.~~**0**~~25 ~~**(25 BIST Liquid Banks Index Point)**~~ (for example: ~~**102.325**~~, ~~**102.350**~~, etc.). Quantity offers are entered as 1 contract and its multiples.
Expiry Day (Final) Settlement Price	The final settlement price of BIST Liquid Banks futures contracts shall be calculated by weighting of the time weighted average of index values of the last 30 minutes of continuous auction in the equity market and closing price of the index with 80% and 20%, respectively. The calculated weighted average is ~~**divided by 1000,**~~ rounded to the nearest price tick.~~,~~ ~~**and called as the final settlement price.**~~ The final settlement price will be determined by the Settlement Price Committee if the session and/or closing session in the spot market was partly or entirely closed, or price was not discovered despite

Price Quotation and Minimum Price Tick	On the order book, prices are shown on the basis of 1 unit of underlying asset. In other words, the offers for index futures in the Market are entered on the basis of the price given on the basis of 1 unit of the underlying asset. Index value is entered into the trading system with **two** digits after the comma, and the minimum price tick is 0.25 (for example: **1,240.25**, **1,240.50** etc.). Quantity offers are entered as 1 contract and its multiples.
Expiry Day (Final) Settlement Price	The final settlement price of BIST Liquid Banks futures contracts shall be calculated by weighting of the time weighted average of index values of the last 30 minutes of continuous auction in the equity market and closing price of the index with 80% and 20%, respectively. The calculated weighted average is rounded to the nearest price tick. The final settlement price will be determined by the Settlement Price Committee if the session and/or closing session in the spot market was partly or entirely closed, or price was not discovered despite the fact that the market was open on the last trading day.

F. BIST Liquid 10 Ex Banks Futures Contract

Contract Size	Contract size for the index futures is 10 underlying securities. (For example, BIST Liquid 10 Ex Banks Index* TRY 10 = (**1,240.00**)*10 = TRY **12,400.00**).

	the fact that the market was open on the last trading day.

F. BIST Liquid 10 Ex Banks Futures Contract

Contract Size	~~**Underlying security is the 1/1000 of the index values.**~~ Contract size for the index futures is 10~~**0**~~ underlying securities. (For example, BIST Liquid 10 Ex Banks Index~~**/1,000)**~~* TRY 10~~**0**~~ = (~~**78,000/1,000**~~)*10~~**0**~~ = TRY ~~**7,800.00**~~).
Price Quotation and Minimum Price Tick	On the order book, prices are shown on the basis of 1 unit of underlying asset. In other words, the offers for index futures in the Market are entered on the basis of the price given on the basis of 1 unit of the underlying asset. ~~**After**~~ **I**~~i~~ndex value is ~~**divided by 1,000 the price of an index future**~~ is entered into the trading system with ~~**three**~~ digits after the comma, and the minimum price tick is 0.~~**0**~~25 ~~**(25 BIST Liquid Banks Index Point)**~~ (for example: ~~**102.325**~~, ~~**102.350**~~, etc.). Quantity offers are entered as 1 contract and its multiples.
Expiry Day (Final) Settlement Price	The final settlement price of BIST Liquid 10 Ex Banks futures contracts shall be calculated by weighting of the time weighted average of index values of the last 30 minutes of continuous auction in the equity market and closing price of the index with 80% and 20%, respectively. The calculated weighted average is ~~**divided by 1000,**~~ rounded to the nearest price tick.~~**, and called as the final settlement price.**~~

Price Quotation and Minimum Price Tick	On the order book, prices are shown on the basis of 1 unit of underlying asset. In other words, the offers for index futures in the Market are entered on the basis of the price given on the basis of 1 unit of the underlying asset. Index value is entered into the trading system with **two** digits after the comma, and the minimum price tick is 0.25 (for example: **1,240.25**, **1,240.50** etc.). Quantity offers are entered as 1 contract and its multiples.
Expiry Day (Final) Settlement Price	The final settlement price of BIST Liquid 10 Ex Banks futures contracts shall be calculated by weighting of the time weighted average of index values of the last 30 minutes of continuous auction in the equity market and closing price of the index with 80% and 20%, respectively. The calculated weighted average is rounded to the nearest price tick**.** The final settlement price will be determined by the Settlement Price Committee if the session and/or closing session in the spot market was partly or entirely closed, or price was not discovered despite the fact that the market was open on the last trading day.

	The final settlement price will be determined by the Settlement Price Committee if the session and/or closing session in the spot market was partly or entirely closed, or price was not discovered despite the fact that the market was open on the last trading day.

APPENDIX-10: NORMAL SESSION OBLIGATIONS OF MARKET MAKERS

Market Segment	Spread Requirements**
Index Option*	

Underlying Asset	*The Closest Expiry Time to Expiry*								Minimum Order Quantity
	0-30 days				30-60 days				
	Best Bid Price- TRY								
	0,00-~~0,99~~	~~**1,00-3,00**~~	~~**3,01-5,00**~~	~~**>5,00**~~	0,00-~~0,99~~	~~**1,00-3,00**~~	~~**3,01-5,00**~~	~~**>5,00**~~	
	Maximum Spread								
XU030D	~~**0,25**~~	~~**0,50**~~	~~**0,60**~~	~~**0,70**~~	~~**0,50**~~	~~**0,75**~~	~~**0,80**~~	~~**0,85**~~	10

Underlyin g Asset	*The Second Closest Expiry Time to Maturity*								Minimum Order Quantity
	60-90 days				>90 days				
	Best Bid Price- TRY								
	0,00-~~0,99~~	~~**1,00-3,00**~~	~~**3,01-5,00**~~	~~**>5,00**~~	0,00-~~0,99~~	~~**1,00-3,00**~~	~~**3,01-5,00**~~	~~**>5,00**~~	

APPENDIX-10: NORMAL SESSION OBLIGATIONS OF MARKET MAKERS

Market Segment	Spread Requirements**
Index Option*	

Underlyin g Asset	*The Closest Expiry Time to Expiry*								Minimum Order Quantity
	0-30 days				30-60 days				
	Best Bid Price- TRY								
	0,00-**9,99**	**10,00-30,00**	**30,01-50,00**	**>50,00**	0,00-**9,99**	**10,00-30,00**	**30,01-50,00**	**>50,00**	
	Maximum Spread								
XU030D	**2,50**	**5,00**	**6,00**	**7,00**	**5,00**	**7,50**	**8,00**	**8,50**	10

Underlyin g Asset	*The Second Closest Expiry Time to Maturity*								Minimum Order Quantity
	60-90 days				>90 days				
	Best Bid Price- TRY								
	0,00-**9,99**	**10,00-**	**30,01-**	**>50,00**	0,00-**9,99**	**10,00-**	**30,01-**	**>50,00**	

	Maximum Spread								
XU030D	~~0,50~~	~~0,90~~	~~1,00~~	~~1,10~~	~~0,50~~	~~1,00~~	~~1,10~~	~~1,15~~	10

Index Futures

Best Bid Price-TRY	Time to Expiry(Days)				Minimum Order Quantity
	<30	<60	<90	≥90	
	Maksimum Spread				
~~<100~~	~~0,350~~	~~0,400~~	~~0,450~~	~~0,500~~	10
~~<125~~	~~0,400~~	~~0,450~~	~~0,500~~	~~0,550~~	10
~~<150~~	~~0,450~~	~~0,500~~	~~0,550~~	~~0,600~~	10
~~<175~~	~~0,500~~	~~0,550~~	~~0,600~~	~~0,650~~	10
~~<200~~	~~0,550~~	~~0,600~~	~~0,650~~	~~0,700~~	10
~~≥200~~	~~0,600~~	~~0,650~~	~~0,700~~	~~0,750~~	10

APPENDIX-13: DAILY PRICE LIMITS IN OPTION CONTRACTS

Instrument class	Base Price	Limit Definition	Limit Value	Limit Example
Index Option Contracts	0,01-14,99	Fixed	+20,00	Base Price: 5.00 Lower Limit: -

		30,00	50,00			30,00	50,00		
	Maximum Spread								
XU030D	5,00	9,00	10,00	11,00	5,00	10,00	11,00	11,50	10

Index Futures

Best Bid Price-TRY	Time to Expiry(Days)				Minimum Order Quantity
	<30	<60	<90	≥90	
	Maksimum Spread				
≤1.000	3,50	4,00	4,50	5,00	10
≤1.250	4,00	4,50	5,00	5,50	10
≤1.500	4,50	5,00	5,50	6,00	10
≤1.750	5,00	5,50	6,00	6,50	10
≤2.000	5,50	6,00	6,50	7,00	10
≥2.000	6,00	6,50	7,00	7,50	10

APPENDIX-13: DAILY PRICE LIMITS IN OPTION CONTRACTS

Instrument class	Base Price	Limit Definition	Limit Value	Limit Example
Index Option Contracts	0,01-14,99	Fixed	+20,00	Base Price: 5.00 Lower Limit: -

				Upper Limit: 25.00
	15,00-99,99	Percentage (%)	+%200	Base Price: 50.00 Lower Limit: - Upper Limit: 150.00
	100,00 and upper	Fixed	~~**+50,00**~~	Base Price: 150.00 Lower Limit: - Upper Limit: ~~**200.00**~~

APPENDIX-16: EXPLANATIONS AND EXAMPLES REGARDING INTERMONTH STRATEGY ORDERS

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Market segments for which the strategy orders are active, contracts and values for constant parameter (k) used in calculation of price limits are given below.

Market Segment	Underlying asset	Strategy Code	Price Limit Constant (k)
Index Futures-TRY	XU030D	F_XU030M2-M1	~~**0,65**~~
Currency Futures-TRY	USDTRY	F_USDTRYM2-M1	0,05
Precious Metals Futures-USD	XAUUSD	F_XAUUSDM2-M1	5,50

				Upper Limit: 25.00
	15,00-99,99	Percentage (%)	+%200	Base Price: 50.00 Lower Limit: - Upper Limit: 150.00
	100,00 and upper	Fixed	**+300,00**	Base Price: 50.00 Lower Limit: - Upper Limit: **450,00**

APPENDIX-16: EXPLANATIONS AND EXAMPLES REGARDING INTERMONTH STRATEGY ORDERS

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Market segments for which the strategy orders are active, contracts and values for constant parameter (k) used in calculation of price limits are given below.

Market Segment	Underlying asset	Strategy Code	Price Limit Constant (k)
Index Futures-TRY	XU030D	F_XU030M2-M1	**6,50**
Currency Futures-TRY	USDTRY	F_USDTRYM2-M1	0,05
Precious Metals Futures-USD	XAUUSD	F_XAUUSDM2-M1	5,50