

Unofficial Translation

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Document	Type	Announcement
	No	2022/
	Subject	Launch of New Index Futures Contracts in Derivatives Market (VIOP)
	Date of Approval	/ /2022
	From	Derivatives Market
	To	Members, Data Vendors and Independent Software Vendors (ISVs)

To Whom It May Concern,

Borsa İstanbul A.Ş. has decided;

- to launch new index futures (INF) contracts based on BIST Sustainability 25 Index in Derivatives Market with the contract specifications in Attachment-1 as of January 13, 2023,
- to include aforementioned INF contracts in market making program within the scope of obligations and rights of Group B as of February 01, 2023.

New INF contracts will be available in the BISTECH member test environment 10.57.3.8 for members - 10.57.3.17/185.76.203.244 for data vendors) as of December 21, 2022 with the configurations in Attachment-2. Our members, data vendors and software providers are expected to take necessary actions and attend the test period effectively.

The updated version of Derivatives Market Procedure will be available on Borsa İstanbul website under “Corporate” tab, “Regulations” section (<https://www.borsaistanbul.com/en/sayfa/4028/procedures>).

Kindly for your information.

Korkmaz ERGUN  
CEO and Board Member

ATTACHMENTS:

Attachment-1: Contract Specifications of BIST Sustainability 25 Index Future Contracts

Attachment-2: Configurations in BISTECH Member Test Environment

Attachment-3: Changes in Borsa İstanbul A.Ş. Derivatives Market Procedure

## Attachment-1: Contract Specifications of BIST Sustainability 25 Index Future Contracts

Underlying Asset	BIST Sustainability 25 Index
Contract Size	Contract size for the index futures is 10 underlying securities. (For example, XSD25 Index* TRY 10 = (5,640.00)*10= TRY 56,400.00).
Price Quotation and Minimum Price Tick	<p>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.</p> <p>Index value is entered into the trading system with two digits after the comma, and the minimum price tick is 0.25 (for example: 5,640.25; 5,640.50 etc.). Quantity offers are entered as 1 contract and its multiples.</p>
Contract Months	February, April, June, August, October and December (Contracts with three different expiration months nearest to the current month shall be traded concurrently. If December is not one of those three months, an extra contract with an expiration month of December shall be launched.)
Settlement	Cash settlement
Daily Settlement Price	<p>The daily settlement price used for updating accounts following the end of the session is calculated as follows and rounded to the nearest price tick:</p> <ol style="list-style-type: none"> <li>The weighted average price of all the trades performed within the last 10 minutes of the Normal Session,</li> <li>If less than 10 trades were executed in the last 10 minutes of the session, the weighted average price of the last 10 trades performed during the session,</li> <li>If less than 10 trades were performed during the session, the weighted average price of all the trades performed during the session,</li> <li>If no trades were performed during the session, the settlement price of the previous day,</li> </ol> <p>will be determined as the daily settlement price.</p> <p>If the daily settlement price cannot be calculated in accordance with the above methods by the end of the session, or it is decided that the prices calculated do not reflect the market correctly, the daily settlement price may be determined by using one or more of the following methods.</p> <ol style="list-style-type: none"> <li>The average of the best buy and sell quotations at the end of the session,</li> <li>Theoretical prices are calculated considering spot price of the underlying asset or the daily settlement price for other contract months of the contract.</li> </ol> <p>Trade reports will not be taken into consideration in the above calculations. The Settlement Price Committee's right to change the daily settlement price is under reserve.</p>

Expiry Day (Final) Settlement Price	<p>The final settlement price of XSD25 Index 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.</p> <p>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.</p>
Last Trading Day	Last business day of the contract month. In case domestic markets are closed for half day due to an official holiday, last trading day shall be the preceding business day.
Expiry Day	Last business day of the contract month. In case domestic markets are closed for half day due to an official holiday, expiry day shall be the preceding business day.
Settlement Period	T+1 (first day following the expiry date) Losses are deducted from the accounts starting from the end of T day, while profits are added to the accounts by T day.
Base Price and Daily Price Limit	<p>Base price is the price determined by the Settlement Price Committee on the day the relevant contract is introduced for trading, and used in setting the daily price limits. For the other days, base price is the settlement price of the previous day. Base price for the contracts that are traded at Evening Session is the settlement price that is calculated at the end of Normal Session.</p> <p>Daily price limit is equal to <math>\pm 15\%</math>(*) of the base price in the Normal Session and <math>\pm 3\%</math> of the base price in the Evening Session for each contract. If the upper or lower limit so calculated does not correspond to a price tick, the upper limit will be rounded to the lower price tick; and the lower limit, to the upper price tick.</p>
Trading Hours	Trading Hours are on 09:20 - 18:15 for normal session and 19:00-23:00 for evening session.
Collateral and Margining Rules	It is stated according to Clearing Legislation.

(\*) The daily price limit of single stock futures contract is applied 10% until a second notice, according to the Announcement, dated 12/03/2020 and numbered 2020/20

## Attachment-2: Configurations in BISTECH Member Test Environment

Validity Date	Related Market	Definition	Underlying Asset Code	Instrument Class Code	Instrument Series
12/16/2022	Equity Market	Underlying	XSD25		
12/16/2022	Equity Market	Instrument Class		INDEXSPXXSD25	
12/16/2022	Equity Market	Instrument Series			XSD25
12/19/2022	ViOP	Underlying	D_XSD25D		
12/20/2022	ViOP	Instrument Class		DE_BISTSUR25_FUT	
12/21/2022	ViOP	Instrument Series			F_XSD251222 F_XSD250223 F_XSD250423

### Attachment-3: Changes in Borsa İstanbul A.Ş. Derivatives Market Procedure

OLD TEXT	NEW TEXT
<p><b>7. Contracts that are Traded at Evening Session</b>  Index futures (BIST 30, BIST Liquid Banks and BIST Liquid 10 Ex Banks), USD/Ounce Gold futures, USD/Ounce Silver, USD/Ounce Platinum futures and USD/Ounce Palladium futures are traded at Evening Session.</p>	<p><b>7. Contracts that are Traded at Evening Session</b>  Index futures (BIST 30, BIST Liquid Banks, <u>BIST Liquid 10 Ex Banks and <b>BIST Sustainability 25</b></u>), USD/Ounce Gold futures, USD/Ounce Silver, USD/Ounce Platinum futures and USD/Ounce Palladium futures are traded at Evening Session.</p>
<p><b>45.1. General operating principles</b>  ...  Below are the contracts subject to the Market Making Program:</p> <p>Group A Contracts</p> <ul style="list-style-type: none"> <li>a) Single Stock Futures,</li> <li>b) USD/Ounce Gold Futures (Normal Session/Evening Session),</li> <li>c) TRY/Gram Gold Futures</li> <li>ç) USD/Ounce Silver Futures (Normal Session/Evening Session)</li> </ul> <p>Group B Contracts</p> <ul style="list-style-type: none"> <li>a) Base-Load Electricity Futures,</li> <li>b) RUB/TRY Futures,</li> <li>c) CNH/TRY Futures,</li> <li>ç) BIST Liquid Banks Index and BIST Liquid 10 Ex Banks Index Futures(Normal Session/Evening Session),</li> <li>d) USD/Ounce Platinum and USD/Ounce Palladium futures (Normal Session/Evening Session),</li> <li>e) Physically Delivered Government Bond Futures</li> <li>f) Single Stock Options,</li> <li>g) BIST30 Index Options,</li> <li>ğ) USD/TRY Options.</li> </ul> <p>...</p>	<p><b>45.1. General operating principles</b>  ...  Below are the contracts subject to the Market Making Program:</p> <p>Group A Contracts</p> <ul style="list-style-type: none"> <li>a) Single Stock Futures,</li> <li>b) USD/Ounce Gold Futures (Normal Session/Evening Session),</li> <li>c) TRY/Gram Gold Futures</li> <li>ç) USD/Ounce Silver Futures (Normal Session/Evening Session)</li> </ul> <p>Group B Contracts</p> <ul style="list-style-type: none"> <li>a) Base-Load Electricity Futures,</li> <li>b) RUB/TRY Futures,</li> <li>c) CNH/TRY Futures,</li> <li>ç) BIST Liquid Banks Index, <u>BIST Liquid 10 Ex Banks Index <b>and BIST Sustainability 25 Index</b></u> Futures (Normal Session/Evening Session),</li> <li>d) USD/Ounce Platinum and USD/Ounce Palladium futures (Normal Session/Evening Session),</li> <li>e) Physically Delivered Government Bond Futures</li> <li>f) Single Stock Options,</li> <li>g) BIST30 Index Options,</li> <li>ğ) USD/TRY Options.</li> </ul> <p>...</p>

**APPENDIX-1: CONTRACT SPECIFICATIONS OF BORSA İSTANBUL  
DERIVATIVES MARKET**

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DERIVATIVES MARKET**

...

**G- BIST Sustainability 25 Futures Contract**

<b><u>Underlying Asset</u></b>	<b><u>BIST Sustainability 25 Index</u></b>
<b><u>Contract Size</u></b>	<b><u>Contract size for the index futures is 10 underlying securities. (For example, XSD25 Index* TRY 10 = (5,640.00)*10= TRY 56,400.00).</u></b>
<b><u>Price Quotation and Minimum Price Tick</u></b>	<b><u>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.</u></b>  <b><u>Index value is entered into the trading system with two digits after the comma, and the minimum price tick is 0.25 (for example: 5,640.25; 5,640.50 etc.). Quantity offers are entered as 1 contract and its multiples.</u></b>
<b><u>Contract Months</u></b>	<b><u>February, April, June, August, October and December (Contracts with three different expiration months nearest to the current month shall be traded concurrently. If December is not one of those three months, an extra contract with an expiration month of December shall be launched.)</u></b>
<b><u>Settlement</u></b>	<b><u>Cash settlement</u></b>

	<p><b><u>Daily Settlement Price</u></b></p>	<p><b><u>The daily settlement price used for updating accounts following the end of the session is calculated as follows and rounded to the nearest price tick:</u></b></p> <ul style="list-style-type: none"> <li>e) <b><u>The weighted average price of all the trades performed within the last 10 minutes of the Normal Session,</u></b></li> <li>f) <b><u>If less than 10 trades were executed in the last 10 minutes of the session, the weighted average price of the last 10 trades performed during the session,</u></b></li> <li>g) <b><u>If less than 10 trades were performed during the session, the weighted average price of all the trades performed during the session,</u></b></li> <li>h) <b><u>If no trades were performed during the session, the settlement price of the previous day,</u></b>  <b><u>will be determined as the daily settlement price.</u></b></li> </ul> <p><b><u>If the daily settlement price cannot be calculated in accordance with the above methods by the end of the session, or it is decided that the prices calculated do not reflect the market correctly, the daily settlement price may be determined by using one or more of the following methods.</u></b></p> <ul style="list-style-type: none"> <li>c) <b><u>The average of the best buy and sell quotations at the end of the session,</u></b></li> <li>d) <b><u>Theoretical prices are calculated considering spot price of the underlying asset or the daily settlement price for other contract months of the contract.</u></b></li> </ul> <p><b><u>Trade reports will not be taken into consideration in the above calculations. The Settlement Price Committee's right to change the daily settlement price is under reserve.</u></b></p>
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	<u>Expiry Day (Final) Settlement Price</u>	<p><u>The final settlement price of XSD25 Index 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.</u></p> <p><u>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.</u></p>
	<u>Last Trading Day</u>	<u>Last business day of the contract month. In case domestic markets are closed for half day due to an official holiday, last trading day shall be the preceding business day.</u>
	<u>Expiry Day</u>	<u>Last business day of the contract month. In case domestic markets are closed for half day due to an official holiday, expiry day shall be the preceding business day.</u>
	<u>Settlement Period</u>	<u>T+1 (first day following the expiry date) Losses are deducted from the accounts starting from the end of T day, while profits are added to the accounts by T day.</u>
	<u>Base Price and Daily Price Limit</u>	<p><u>Base price is the price determined by the Settlement Price Committee on the day the relevant contract is introduced for trading, and used in setting the daily price limits. For the other days, base price is the settlement price of the previous day. Base price for the contracts that are traded at Evening Session is the settlement price that is calculated at the end of Normal Session.</u></p> <p><u>Daily price limit is equal to <math>\pm 15\%</math>(*) of the base price in the Normal Session and <math>\pm 3\%</math> of the base price in the Evening Session for each contract. If the upper or lower limit so calculated does not correspond to a price tick, the upper limit will be rounded to the lower price tick; and the lower limit, to the upper price tick.</u></p>



	<table> <tr> <td><u>Trading Hours</u></td><td><u>Trading Hours are in Appendix-3.</u></td></tr> <tr> <td><u>Collateral and Margining Rules</u></td><td><u>It is stated according to Clearing Legislation.</u></td></tr> </table> <p>(*) <u>The daily price limit of single stock futures contract is applied 10% until a second notice, according to the Announcement, dated 12/03/2020 and numbered 2020/20</u></p> <p>...</p>	<u>Trading Hours</u>	<u>Trading Hours are in Appendix-3.</u>	<u>Collateral and Margining Rules</u>	<u>It is stated according to Clearing Legislation.</u>
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APPENDIX-2: MARKET DEFINITION LIST ...	APPENDIX-2: MARKET DEFINITION LIST <u>XSD25 underlying was added to 170/VIOP Index Derivatives Market for index futures contracts.</u>				
APPENDIX -11: NORMAL SESSION RIGHTS OF MARKET MAKERS ...	APPENDIX -11: NORMAL SESSION RIGHTS OF MARKET MAKERS <u>XSD25 underlying was added to Index Futures Contracts.</u>				
APPENDIX-13: EVENING SESSION RIGHTS OF MARKET MAKERS ...	APPENDIX-13: EVENING SESSION RIGHTS OF MARKET MAKERS <u>XSD25 underlying was added to Index Futures Contracts.</u>				