



**BORSA
ISTANBUL**

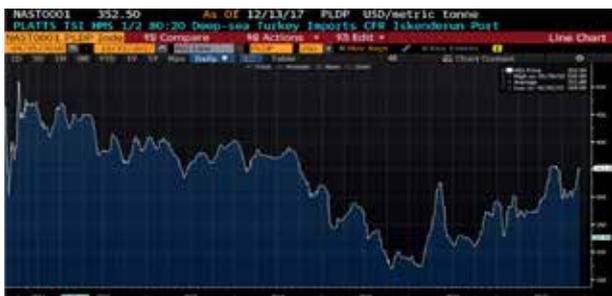
VIOP

STEEL SCRAP FUTURES CONTRACTS

You can take the advantage of easy access and transparent environment that you need to gain the best possible return or protect against the price risk using steel scrap futures contracts through Borsa Istanbul Derivatives Market (VIOP) trading system. In VIOP, you can use flexible investment strategies that a liquid trading environment offers.

Steel is at the hearth of the supply chain for many other industries, and steel-intensive sectors will drive demand for Turkey's iron and steel industry. Turkish imported steel scrap prices are used as reference by steel industry participants globally.

TSI Turkish Imports HMS #1&2 80:20 (April 2010 – December 2017)



VIOP offers an efficient way of trading steel scrap futures contracts which comes with many opportunities, such as:

- Opportunity to reach various financial instrument in a unique platform
- Possibility to invest with the expectation of price decrease
- As a new instrument, it also offers a portfolio diversification and hedging tool for investors
- Hedge and arbitrage opportunities
- Ability to take position with less initial investment
- Being able to apply flexible trading strategies
- Tax advantage

- > The first BIST futures contract based on a reliable index that has been published by PLATTS since 2010.
- > Borsa Istanbul VIOP's steel scrap futures contract will be cash-settled using the average in the expiring month of TSI's daily benchmark price for deep-sea imports of scrap grade HMS #1&2 in an 80:20 mix into Turkey's Iskenderun port on a cost and freight (CFR) basis.

STEEL SCRAP FUTURES CONTRACTS

Underlying Asset	The Steel Index's (TSI) HMS 1&2 80:20 CFR Iskenderun Steel Scrap Index
Price Quotation	USD
Contract Size	10 tons
Contract Months	2 nearest months in March, June, September, December cycle, current and next calendar months
Tick Size	USD 0.01
Last Trading Day	Last business day of each contract month
Settlement	Cash settled in TRY
Final Settlement Price	Basic arithmetic average of the daily prices announced by The Steel Index for the contract month
Trading Hours	09:30-18:15 GMT+3
CCP	Takasbank
Margins	Unit Margin: USD 400*

> Ticker Codes of Underlying Security

- Bloomberg : TSIPTIFS Index
- Reuters : HMS-TURC=SI

> Ticker Codes of Steel Scrap Futures Contracts

- Bloomberg :SVOA Comdty
- Reuters : <O#HMSTR:>
- Matriks : Contract Name (Exp: F_HMSTRO418)
- Foreks : Contract Name (Exp: F_HMSTRO418)

*BISTECH risk parameter value dated January 22, 2018 is used.



HOW TO TRADE in VIOP?

- Investors must have an account at VIOP Members.
- For VIOP Members, borsaistanbul.com/en/members/members-list?y=21
- 0% Withholding tax for corporate investors* when trading in VIOP.
- Takasbank is the CCP for VIOP Markets.
- Portfolio based risk management.
- Low Exchange and Clearing commission.
- About VIOP trading data including scrap do reach out to VIOP Daily Bulletin;
<http://www.borsaistanbul.com/en/data/data/viop-derivatives-market>

*0% WHT for resident and non-resident capital companies (limited liability companies and joint stock companies) and investment funds. All other resident and non-resident companies are subject to 10% WHT

For further information please visit borsaistanbul.com/en/products-and-markets/markets/derivatives-market-viop or contact us.
Borsa Istanbul Derivatives Market
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