

Crude Palm Oil

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Malaysian Crude Palm Oil Calendar Swap/Malaysian Crude Palm Oil Calendar Futures

Normal Daily Settlement

Daily settlement other than settlement on the final settlement day or during the last month of clearing (as described in Rule 204A03) shall be the settlement price of the Bursa Malaysia Derivatives Berhad FCPO futures contract that is the third-forward month from the swap will be converted from MYR to USD by using an FX forward rate that corresponds with the respective contract expiration and rounded to the nearest \$0.25. This rate will come from a curve that is interpolated using the relevant spot rate and forward points. This calculation will only be in effect when the contract is not the spot contract; each day during the averaging period the spot rate will be used in lieu of any interpolated rate. Daily settlement prices shall be generated each business day the CME is open using the most recent available Bursa Malaysia Derivatives Berhad FCPO futures prices and the latest available Kuala Lumpur USD/MYR Reference Rate 3:30 PM MYR spot fixing.

The Exchange may list USD Malaysian Crude Palm Oil Calendar Swaps before corresponding Bursa Malaysia Derivatives Berhad FCPO futures contracts are listed. In such cases, daily settlements will be based on interpolation between contracts that are listed.

Final Settlement Price and Daily Settlement During Last Month of Trading

The final settlement price shall be determined on the final settlement day. The final settlement price shall be the cumulative average of the settlement prices for the third forward month FCPO contract traded on the Bursa Malaysia Derivatives Berhad for each trading day in the swap contract month converted to USD and rounded to the nearest \$0.25 using the Kuala Lumpur USD/MYR Reference Rate 3:30 pm (Singapore time) MYR spot fixing. For example, final settlement for a January USD Malaysian Crude Palm Oil Calendar Swap would be the cumulative average of the daily settlement prices for the third forward FCPO contract listed on the Bursa Malaysia Derivatives Berhad contract during the month of January, which in this example will comprise half of the March futures contract and half of the April futures contract, with the month roll determined by the Bursa Malaysia Derivatives Berhad listing and expiration cycle. These daily settlement prices are converted to USD and rounded to the nearest \$0.25 using the Kuala Lumpur USD/MYR Reference Rate 3:30 pm (Singapore time) MYR spot fixing.

Daily settlement during the last month of clearing shall be the cumulative average of each settlement price of the corresponding Bursa Malaysia Derivatives Berhad FCPO futures contract and converted to USD and rounded to the nearest \$0.25 weighting the current day's settlement price across each remaining clearing day. Settlement prices shall be generated each CME business day using the most recent available values from Bursa Malaysia Derivatives Berhad and the most recent ABS spot fixing. However, any settlement prices generated on a CME business day that is not also a Bursa Malaysia Derivatives Berhad business day will not be counted toward final settlement. Additionally, there will be no daily settlement prices generated on non-CME business days that are Bursa Malaysia Derivatives Berhad business days, but the Bursa Malaysia Derivatives Berhad settlement prices generated on such days will count toward final settlement and daily settlement during the last month of clearing.

Final Settlement Day

The final settlement day shall be on the last CME business day of the swap contract month.

However, should there be a Bursa Malaysia Derivatives Berhad business day during the swap contract month that follows the last CME business day of the swap contract month, then final settlement shall be on the first CME business day of the month following the swap contract month.

Additional Details

USD Malaysian Crude Palm Oil Calendar Swaps are cash settled upon expiration. For additional details, please see the [CME Rulebook \(Chapter 204A\)](#)

If you have any questions, please call the [CME Global Command Center](#).

Note: In the event the aforementioned calculations described in this advisory cannot be made or if CME Group staff, in its sole discretion, determines that anomalous activity yields results that are not representative of the fair value of the contract, the staff may determine an alternative settlement price.