

TO: Clearing Member Firms; Back Office Managers  
FROM: CME Clearing  
ADVISORY #: 13-160  
SUBJECT: **Offshore Chinese Renminbi Delivery Process**

Please be advised the following delivery process and timeline will be in effect for delivery of the Offshore Chinese Renminbi (**CNH**) and E-micro Offshore Chinese Renminbi (**MNH**) contracts.

**Last Trading Day**

Trading will cease at 11:00 am Hong Kong Time (9:00 pm (CST) or 10:00 pm (CDT)) on the second Beijing business day immediately preceding the third Wednesday of the contract month.

The final settlement price for the CNH & MNH will be made available to clearing member firms on [cmegroup.com](http://cmegroup.com) and a Clearing House Advisory. To access the settlement page click on the link below and select "Quarterly Currency Settlement Prices."

<http://www.cmegroup.com/clearing/deliveries/index.html>

**Commitments**

Delivery commitments are due to the Clearing House by 9:00 am CST or 10:00 am CDT two business day prior to delivery day.

**Delivery Payments**

On the business day prior to the delivery day, clearing member firms short must either deposit appropriate amounts of cash to CME's delivery agent bank by 1:00 pm CST or an irrevocable order to pay (OTP) of the appropriate currency and amount to guarantee payment of Chinese Renminbi in Hong Kong.

For example, a clearing member firm short USD/CNH or USD/MNH will be paying USD and receiving CNH. The shorts in this example will either send USD to CME's agent bank by 1:00 pm or send an OTP to CME's agent bank by 1:00 pm CDT the business day prior to delivery.

Clearing member firms long the USD/CNH or USD/MNH contract must transfer the full CNH value of the delivery to CME's agent bank account in Hong Kong by 10:00 am (local time) in the foreign country on the delivery day.

Please contact Deliveries for a copy of the settlement instructions.

### **Payment Messages**

The currency market uses **CNY** as the currency code for the “onshore” Chinese Renminbi, and **CNH** as the currency code for the “offshore” Renminbi, typically held in Hong Kong. The new futures contracts described herein are denominated in CNH, the offshore Renminbi, and CME’s delivery reports will list CNH.

Usage in the industry is not entirely consistent, however, and your settlement and/or delivery bank for the offshore Renminbi may refer to it using the currency code of **CNY**. Also please note that SWIFT requires **CNY** as the currency code for both the onshore and the offshore Renminbi.

**Special Note:** CME’s delivery agent bank requires that field 72 of SWIFT messages transmitted to the bank for delivery instructions contains the string /PSET/HK. This indicates that the settlement is taking place in Hong Kong and hence is for offshore Renminbi.

### **April 2013 Delivery Timeline**

<b>Sunday, April 14<sup>th</sup></b>	<b>CDT</b>	<b>Monday, April 15<sup>th</sup></b>	<b>HKT</b>
Last trading & final settlement price determination	10:00 pm	Last trading & final settlement Price Determination	11:00 am
<b>Monday, April 15<sup>th</sup></b>	<b>CDT</b>	<b>Monday, April 15<sup>th</sup></b>	<b>HKT</b>
Delivery commitments due to Clearing House	10:00 am	Delivery commitments due to Clearing House	11:00 pm
<b>Tuesday, April 16<sup>th</sup></b>	<b>CDT</b>	<b>Tuesday, April 16<sup>th</sup></b>	<b>HKT</b>
Wire transfers denominated in USD due	1:00 pm	Wire transfers denominated in USD due	2:00 am (Wednesday)
OTP in USD due to Clearing House (US Agent Bank)	1:00 pm	OTP in USD due to Clearing House (US Agent Bank)	2:00 am (Wednesday)
CNH payment cycle begins	9:00 pm	CNH payment cycle begins	10:00 am
<b>Wednesday, April 17<sup>th</sup></b>	<b>CDT</b>	<b>Wednesday, April 17<sup>th</sup></b>	<b>HKT</b>
USD payment cycle begins	10:00 am	USD payment cycle begins	11:00 pm

If there are any questions, please contact Deliveries at 312.930.3172 or email [clearinghousedelivteam@cmegroup.com](mailto:clearinghousedelivteam@cmegroup.com) .