

Outline of Standard Combination Order Rules

As of April 4, 2022

Tokyo Commodity Exchange, Inc.

Item	Details	Remarks								
<p>I. Outline of Trading 1. Standard Combination Orders</p> <p>(1) Outline</p> <p>(2) Types of SCOs</p>	<ul style="list-style-type: none"> - During a trading session (excluding the closing auction), a trading participant may place an order for specific combinations of multiple contract months or multiple commodities in which the order (hereinafter referred to as a "Standard Combination Order (SCO)") is simultaneously placed as a sell order of one contract month or commodity and a buy order of the other contract month or commodity (limited to sales and purchase orders for the same customer account or the trading participant's own account). - SCOs shall consist of the following intra-commodity calendar spreads and inter-commodity spreads. - The combinations of executed futures trades resulting from an SCO and the method of calculating prices shall be as follows. <table border="1" style="margin-left: auto; margin-right: auto; border-collapse: collapse; width: 80%;"> <thead> <tr style="background-color: #e0f7fa;"> <th style="width: 25%;">Type of SCO</th> <th style="width: 25%;">Executed Futures Trades Resulting from Buy Orders</th> <th style="width: 25%;">Executed Futures Trades Resulting from Sell Orders</th> <th style="width: 25%;">Method of Calculating Prices</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">Intra-Commodity Calendar Spread</td> <td>A purchase of one unit of a near-term contract and a sale of one unit of a longer-term contract</td> <td>A sale of one unit of a near-term contract and a purchase of one unit of a longer-term contract</td> <td>Subtract the price of the longer-term contract from that of the near-term contract.</td> </tr> </tbody> </table>	Type of SCO	Executed Futures Trades Resulting from Buy Orders	Executed Futures Trades Resulting from Sell Orders	Method of Calculating Prices	Intra-Commodity Calendar Spread	A purchase of one unit of a near-term contract and a sale of one unit of a longer-term contract	A sale of one unit of a near-term contract and a purchase of one unit of a longer-term contract	Subtract the price of the longer-term contract from that of the near-term contract.	<ul style="list-style-type: none"> - A "trading participant" is referred to as a "member" in rules of Tokyo Commodity Exchange, Inc. (TOCOM) including its Market Rules. - A "near-term contract" is a contract with an earlier last trading day. - A "longer-term contract" is a contract with a later last trading day.
Type of SCO	Executed Futures Trades Resulting from Buy Orders	Executed Futures Trades Resulting from Sell Orders	Method of Calculating Prices							
Intra-Commodity Calendar Spread	A purchase of one unit of a near-term contract and a sale of one unit of a longer-term contract	A sale of one unit of a near-term contract and a purchase of one unit of a longer-term contract	Subtract the price of the longer-term contract from that of the near-term contract.							

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<p>2. Eligibility</p> <p>3. Trading Method</p> <p>4. Trading Sessions (1) Trading Sessions</p>	<p>Inter-Commodity Spread 1</p>	<p>A purchase of one unit of a Gasoline Futures contract, Kerosene Futures contract, or Gas Oil Futures contract and a sale of one unit of a Platts Dubai Crude Oil Futures contract</p>	<p>A sale of one unit of a Gasoline Futures contract, Kerosene Futures contract, or Gas Oil Futures contract and a purchase of one unit of a Platts Dubai Crude Oil Futures contract</p>	<p>- For Inter-Commodity Spread 1, an SCO shall consist of a combination of a Platts Dubai Crude Oil Futures contract whose contract month is n-1 ("n" shall be a number representing the contract month) and a Gasoline Futures contract, Kerosene Futures contract, or Gas Oil Futures contract whose contract month is n.</p>													
	<p>Inter-Commodity Spread 2</p>	<p>A purchase of one unit of a Commodity A futures contract and a sale of one unit of a Commodity B futures contract as specified in the table in the Remarks column</p>	<p>A sale of one unit of a Commodity A futures contract and a purchase of one unit of a Commodity B futures contract as specified in the table in the Remarks column</p>	<p>- For Inter-Commodity Spread 2, an SCO shall consist of a combination of a Commodity A futures contract and a Commodity B futures contract of the same contract month.</p> <table border="1" data-bbox="1129 1088 1465 1715"> <thead> <tr> <th data-bbox="1129 1088 1294 1155">Commodity A</th> <th data-bbox="1299 1088 1465 1155">Commodity B</th> </tr> </thead> <tbody> <tr> <td data-bbox="1129 1162 1294 1229">Gasoline Futures</td> <td data-bbox="1299 1162 1465 1229">Kerosene Futures</td> </tr> <tr> <td data-bbox="1129 1236 1294 1303">Gasoline Futures</td> <td data-bbox="1299 1236 1465 1303">Gas Oil Futures</td> </tr> <tr> <td data-bbox="1129 1310 1294 1377">Kerosene Futures</td> <td data-bbox="1299 1310 1465 1377">Gas Oil Futures</td> </tr> <tr> <td data-bbox="1129 1384 1294 1451">Chukyo-Gasoline Futures</td> <td data-bbox="1299 1384 1465 1451">Chukyo-Kerosene Futures</td> </tr> <tr> <td data-bbox="1129 1458 1294 1581">East Area Baseload Electricity Futures</td> <td data-bbox="1299 1458 1465 1581">West Area Baseload Electricity Futures</td> </tr> <tr> <td data-bbox="1129 1588 1294 1711">East Area Peakload Electricity Futures</td> <td data-bbox="1299 1588 1465 1711">West Area Peakload Electricity Futures</td> </tr> </tbody> </table>	Commodity A	Commodity B	Gasoline Futures	Kerosene Futures	Gasoline Futures	Gas Oil Futures	Kerosene Futures	Gas Oil Futures	Chukyo-Gasoline Futures	Chukyo-Kerosene Futures	East Area Baseload Electricity Futures	West Area Baseload Electricity Futures	East Area Peakload Electricity Futures
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<p>- All futures products shall be eligible for SCOs.</p> <p>- The SCO combinations shall be as shown in Tables 1 and 2 of Attachment 1.</p> <p>- Trading shall be conducted by individual auction.</p> <p>- SCOs may be made during the trading sessions and hours</p>																	

Item	Details	Remarks
and Hours	for the eligible futures products. However, they may not be made during the closing auction of each trading session.	
(2) Venue of Trading Sessions	- Trading shall be conducted through the trading system.	
5. Types of Orders	<ul style="list-style-type: none"> - Trading participants may submit market orders and limit orders. - Orders shall expire at the end of the day session of the trading day in which they were placed. - Tick sizes for SCOs shall be as shown in Table 3 of Attachment 1. 	- A "trading day" is referred to as a "clearing period" in TOCOM's rules including its Market Rules.
6. Temporary Trading Halts	- When TOCOM has temporarily halted the trading of a futures product eligible for SCOs, it shall also temporarily halt SCOs in which one or more component legs are said futures product.	
7. Traded Prices of Component Legs	- TOCOM shall determine the traded prices of the component legs of the SCO based on the traded price of the SCO.	- A trading participant may not place a SCO in which the traded prices of the component legs are outside of the designated price fluctuation range.
II. Mark-to-Market, Positions, and Settlement	- For mark-to-market, positions, and settlement purposes, TOCOM shall treat an executed SCO as the sale or purchase of the individual component legs.	
III. Margin	- For margin purposes, TOCOM shall treat an executed SCO as the sale or purchase of the individual component legs.	
IV. Trading Participant Fees	- For trading participant fees purposes, TOCOM shall treat an executed SCO as the sale or purchase of the individual component legs.	
V. Published Information	<ul style="list-style-type: none"> - The trading volume of executed SCOs shall be figured into the trading volume of each contract. - The open interest of executed SCOs shall be figured into the open interest of each contract. 	

SCO Combinations

Table 1: Intra-Commodity Calendar Spreads

Product	Near-Term Contract and Longer-Term Contract
Commodity Futures (Excluding Electricity Futures)	All combinations of a near-term contract and a longer-term contract for the same product

Table 2: Inter-Commodity Spreads

Market	Commodity A	Commodity B	Contract Unit
Energy Market (Combinations with Platts Dubai Crude Oil Futures) ¹	Gasoline Futures	Platts Dubai Crude Oil Futures	50 kl
	Kerosene Futures	Platts Dubai Crude Oil Futures	50 kl
	Gas Oil Futures	Platts Dubai Crude Oil Futures	50 kl
Energy Market (Combinations with Commodity Futures Other Than Platts Dubai Crude Oil Futures) ²	Gasoline Futures	Kerosene Futures	50 kl
	Gasoline Futures	Gas Oil Futures	50 kl
	Kerosene Futures	Gas Oil Futures	50 kl
	East Area Baseload Electricity Futures	West Area Baseload Electricity Futures	The amount of power (kWh) obtained from the following formula: No. of Calendar Days in the Contract Month x 24 hours/day x 100 kWh
	East Area Peakload Electricity Futures	West Area Peakload Electricity Futures	The amount of power (kWh) obtained from the following formula: No. of Weekdays in the Contract Month x 12 hours/day x 100 kWh
Chukyo Oil Market ²	Chukyo-Gasoline Futures	Chukyo-Kerosene Futures	10 kl

¹ Limited to combinations of a Platts Dubai Crude Oil Futures contract whose contract month is n-1 ("n" shall be a number representing the contract month) and a Gasoline Futures contract, Kerosene Futures contract, or Gas Oil Futures contract whose contract month is n.

² Limited to combinations of the same contract month.

Table 3: Tick Sizes

Product		Tick Size	(Reference) Tick Size of Regular Contracts
Energy Market	Combinations of Platts Dubai Crude Oil Futures, Gasoline Futures, Kerosene Futures, and Gas Oil Futures	JPY 10	JPY 10
	Combinations of Electricity Futures	JPY 0.01	JPY 0.01
	Combinations of LNG (Platts JKM) Futures	JPY 0.1	JPY 0.1
Chukyo Oil Market	All Combinations	JPY 10	JPY 10