



# Planned Changes to SPAN related to Trading Unit Revisions in Silver and Palladium Futures

## Exchange & beyond

Japan Securities Clearing Corporation

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# 1. Planned Changes to SPAN related to Trading Unit Revision

## Current

- Parameters, such as Price Scan Range, recorded in SPAN RPF are currently set based on the trading unit of 10 kilograms for Silver Futures and 500 grams for Palladium Futures.

## After Revision

- Parameters, such as Price Scan Range, recorded in SPAN RPF will be set based on the trading unit of 30 kilograms for Silver Futures and 3 kilograms for Palladium Futures.
- Please note that, up to the last trading day of April 2024 contract month contracts, instruments with the trading unit before revision and instruments with the trading unit after revision will co-exist in Silver Commodity Group and Palladium Commodity Group.
- For instruments with the trading unit before revision, JSCC will set Margin amount corresponding to the trading unit before revision by using Delta Scaling Factor and other method. So, Margin level will not be 3 times or 6 times, as the case may be, of the Margin level before the revision for the instruments with the trading unit before revision due to a revision of the setting method.

## Implementation Start Timing

- SPAN Parameter information based on the revised trading unit will be published from those published at the evening of 6/23/2023 (Fri.) (applicable period: from 6/26 to 6/30/2023), and such SPAN Parameters shall apply from the SPAN Parameter files to be distributed on and after 6/26 (Mon.).
- Please note that, the instruments with the revised trading unit are not set as of 6/26 (Mon.). Instruments with the pre-revision and post-revision trading units will co-exist on and after 6/28 (Wed.).

## Other Points of Attention

- Please note that due to SPAN's specifications (rounding and the like), scan risk amounts may not be fully offset between the pre-revision and post-revision instruments.

## Recorded Data Examples

- Please refer to next slide onwards for how data will be recorded on SPAN Parameter Files after the implementation (affected records).
- SPAN Parameter setting information related to Silver Commodity Group on the recorded data examples is as shown on the table on the right.
- Because the affected records are the same for Silver Commodity Group and Palladium Commodity Group, just the records related to Silver are shown.
- However, because Inter-commodity Spread Credit is not set for the Silver Commodity Group, credit record for "Palladium: Platinum" is shown as an example of Type 6 record.

SPAN Parameter	Before Revision	After Revision
Price Scan Range	JPY59,000	JPY177,000
Intra-commodity Spread Charge	JPY28,000	JPY84,000
Delivery Month Charge	JPY5,000	JPY15,000
Inter-Commodity Spread Credit Delta per Spread Ratio*	1:2.25	1:13.5

\* Combination of "Palladium: Platinum"

# 2-1. Records assuming 6/23/2023 (Fri.)

- Examples of recorded data for SPAN Risk Parameter File on the last business day before the revision of the recording method are as follows:

2	OSE SILV	1JPYYPN	SILV	PHY	SILVF	FUT				
3	SILV	1001202306204306							100010001000	
C	SILV	10010200028000	010101A020101B							
4	SILV	10 1 1202306	500	500					00000001001001002	
B	OSILV	PHY000000			0000000			200003500		002738 10000
B	OSILVF	FUT202306			0000000 00		5900	200003500		002738 10000 SILV
B	OSILVF	FUT202308			0000000 00		5900	200003500		002738 10000 SILV
B	OSILVF	FUT202310			0000000 00		5900	200003500		002738 10000 SILV
B	OSILVF	FUT202312			0000000 00		5900	200003500		002738 10000 SILV
B	OSILVF	FUT202402			0000000 00		5900	200003500		002738 10000 SILV
B	OSILVF	FUT202404			0000000 00		5900	200003500		002738 10000 SILV
P	OSILV	PHYSILV			000000		00100000000000	00000000001JPYYSTD		
P	OSILVF	FUTSILVF			001000		00100000000000	00000000001JPYYSTD		
5	PME	GOLD	GOLDS	PALL	PLAT	PLATS	SILV			
6	PME006503100000SE	PALL	0010000A0SE	PLAT	0022500B					
810	SEILVF	SILV	FUT	202306				00000+00000+01967-01967-01967+01967+03933-03933-03933+		
820	SEILVF	SILV	FUT	202306				03933+05900-05900-05900+05900+04130-04130+10000+0000000000000940		
810	SEILVF	SILV	FUT	202308				00000+00000+01967-01967-01967+01967+03933-03933-03933+		
820	SEILVF	SILV	FUT	202308				03933+05900-05900-05900+05900+04130-04130+10000+0000000000000940		
810	SEILVF	SILV	FUT	202310				00000+00000+01967-01967-01967+01967+03933-03933-03933+		
820	SEILVF	SILV	FUT	202310				03933+05900-05900-05900+05900+04130-04130+10000+0000000000000932		
810	SEILVF	SILV	FUT	202312				00000+00000+01967-01967-01967+01967+03933-03933-03933+		
820	SEILVF	SILV	FUT	202312				03933+05900-05900-05900+05900+04130-04130+10000+0000000000000940		
810	SEILVF	SILV	FUT	202402				00000+00000+01967-01967-01967+01967+03933-03933-03933+		
820	SEILVF	SILV	FUT	202402				03933+05900-05900-05900+05900+04130-04130+10000+0000000000000921		
810	SEILVF	SILV	FUT	202404				00000+00000+01967-01967-01967+01967+03933-03933-03933+		
820	SEILVF	SILV	FUT	202404				03933+05900-05900-05900+05900+04130-04130+10000+0000000000000958		

# 2-2. Records assuming 6/26/2023 (Mon.)



- Examples of recorded data for SPAN Risk Parameter File on the first business day after the revision of the recording method are as follows:

2	OSE	SILV	2JPYYPN	SILV	PHY	SILVF	FUT										
3	SILV	1001202306204306															100010001000
C	SILV	100102000084001010101A020101B															
4	SILV	10 1 1202306	150	150													00000001001001002
B	OSILV	PHY000000				0000000					200003500						002738 10000
B	OSILVF	FUT202306				0000000 00					590 200003500						002738 03333 SILV
B	OSILVF	FUT202308				0000000 00					590 200003500						002738 03333 SILV
B	OSILVF	FUT202310				0000000 00					590 200003500						002738 03333 SILV
B	OSILVF	FUT202312				0000000 00					590 200003500						002738 03333 SILV
B	OSILVF	FUT202402				0000000 00					590 200003500						002738 03333 SILV
B	OSILVF	FUT202404				0000000 00					590 200003500						002738 03333 SILV
P	OSILV	PHYSILV				000000					00300000000000000000000000000001						JPYYSTD
P	OSILVF	FUTSILV				001000					00300000000000000000000000000001						JPYYSTD
5	PME	GOLD	GOLDS	PALL	PLAT	PLATS	SILV										
6	PME006503100000SE	PALL	0010000A0SE	PLAT													0135000B
810	SEILVF	SILV	FUT	202306													00000+00000+00197-00197-00197+00197+00393-00393-00393+
820	SEILVF	SILV	FUT	202306													00393+00590-00590-00590+00590+00413-00413+10000+0000000000000940
810	SEILVF	SILV	FUT	202308													00000+00000+00197-00197-00197+00197+00393-00393-00393+
820	SEILVF	SILV	FUT	202308													00393+00590-00590-00590+00590+00413-00413+10000+0000000000000940
810	SEILVF	SILV	FUT	202310													00000+00000+00197-00197-00197+00197+00393-00393-00393+
820	SEILVF	SILV	FUT	202310													00393+00590-00590-00590+00590+00413-00413+10000+0000000000000932
810	SEILVF	SILV	FUT	202312													00000+00000+00197-00197-00197+00197+00393-00393-00393+
820	SEILVF	SILV	FUT	202312													00393+00590-00590-00590+00590+00413-00413+10000+0000000000000940
810	SEILVF	SILV	FUT	202402													00000+00000+00197-00197-00197+00197+00393-00393-00393+
820	SEILVF	SILV	FUT	202402													00393+00590-00590-00590+00590+00413-00413+10000+0000000000000921
810	SEILVF	SILV	FUT	202404													00000+00000+00197-00197-00197+00197+00393-00393-00393+
820	SEILVF	SILV	FUT	202404													00393+00590-00590-00590+00590+00413-00413+10000+0000000000000958

# 2-3. Records assuming 6/28/2023 (Wed.)



- Examples of recorded data for SPAN Risk Parameter File on the first business day on which the instruments after revision of trading units are recorded are as follows:

2	OSE SILV	2JPYYPN	SILV	PHY	SILVF	FUT					
3	SILV	1001202306204306					100010001000				
C	SILV	1001020000840010101A020101B									
4	SILV	10 1 1202308	150	150			00000001001001002				
B	OSILV	PHY000000					0000000	200003500	002738	10000	
B	OSILVF	FUT202308					0000000 00	590 200003500	002738	03333	SILV
B	OSILVF	FUT202310					0000000 00	590 200003500	002738	03333	SILV
B	OSILVF	FUT202312					0000000 00	590 200003500	002738	03333	SILV
B	OSILVF	FUT202402					0000000 00	590 200003500	002738	03333	SILV
B	OSILVF	FUT202404					0000000 00	590 200003500	002738	03333	SILV
B	OSILVF	FUT202406					0000000 00	1770 200003500	002738	10000	SILV
P	OSILV	PHYSILV		000000	00300000000000000000000001	JPYYSTD					
P	OSILVF	FUTSILVF		001000	00300000000000000000000001	JPYYSTD					
5	PME	GOLD	GOLDS	PALL	PLAT	PLATS	SILV				
6	PME006503100000SE	PALL	0010000A0SE	PLAT	0135000B						
810SE	SILVF	SILV	FUT	202308	00000+00000+00197-00197-00197+00197+00393-00393-00393+						
820SE	SILVF	SILV	FUT	202308	00393+00590-00590-00590+00590+00413-00413+10000+0000000000000940						
810SE	SILVF	SILV	FUT	202310	00000+00000+00197-00197-00197+00197+00393-00393-00393+						
820SE	SILVF	SILV	FUT	202310	00393+00590-00590-00590+00590+00413-00413+10000+0000000000000932						
810SE	SILVF	SILV	FUT	202312	00000+00000+00197-00197-00197+00197+00393-00393-00393+						
820SE	SILVF	SILV	FUT	202312	00393+00590-00590-00590+00590+00413-00413+10000+0000000000000940						
810SE	SILVF	SILV	FUT	202402	00000+00000+00197-00197-00197+00197+00393-00393-00393+						
820SE	SILVF	SILV	FUT	202402	00393+00590-00590-00590+00590+00413-00413+10000+0000000000000921						
810SE	SILVF	SILV	FUT	202404	00000+00000+00197-00197-00197+00197+00393-00393-00393+						
820SE	SILVF	SILV	FUT	202404	00393+00590-00590-00590+00590+00413-00413+10000+0000000000000958						
810SE	SILVF	SILV	FUT	202406	00000+00000+00590-00590-00590+00590+01180-01180-01180+						
820SE	SILVF	SILV	FUT	202406	01180+01770-01770-01770+01770+01239-01239+10000+0000000000000993						