



Mercantile Exchange Nepal Limited

Where the Nation Trades

AN ISO 9001:2015 CERTIFIED EXCHANGE

MEX.N COTTON

Contract Details	
Description	Cotton
Code of contract	COT / MMM / YY
Specification	
Type of contract	Financial futures
Quality	Strict Low Middling Staple Length: 1 2/32 nd inch
Trading system	Trader work station
Contract size	5,000 Kg
Price quoted	NPR per Kg
Commission	600+VAT
Basis	Excluding Tax and other duties
Margin and Limit Structure	
Initial margin	30,000 NPR
Additional Margin	Based on the market conditions and price volatility, a variation in initial margin shall be applicable on a short notification through TWS, which shall be applicable and should be fulfilled by MTM settlement. Any short of margin may attract a margin call on closing. Ratio of Additional margin shall be only up to a maximum of 25% of Initial margin. Once additional margin is issued, Initial Margin shall be updated accordingly on all further margin calculations thereafter.
Maintenance margin	Equal to Initial Margin
Variation margin call	Not Applicable
Margin call cutoff time	4 pm
Settlement	
Settlement logic	Cash settlement.
Final Settlement/Contract Expiry	Same date of Last trading date

Trading	
Contracts available for trading **	
March Contract	13 th November of the earlier year - 22 nd February of the contract year
May Contract	9 th November of the earlier year - 24 th April of the contract year
July Contract	15 th November of the earlier year - 25 th June of the contract year
October Contract	18 th June - 24 th September of the contract year
December Contract	17 th September - 26 th November of the contract year
Trading Period	Monday - Saturday
Trading Session	00:00-00:05, 06:45-00:00*

*Trading session is summer timings and is subjected to change without prior information.

**Contracts release and expiry dates subject to change without prior information.