

Amendment of Forced Order Range for Daily Leverage Certificate

Starting 2 Sep 2024, the Forced Order Range (“FOR”) for Daily Leverage Certificate (“DLC”) will change from a fixed +/- 30 bids to a percentage-based range.

DLC Price Range (\$)	Minimum Bid Size	Existing FOR	New FOR
0.001 to 0.005	0.001	+/- 30 bids	+/- 300%
0.006 to 0.199	0.001	+/- 30 bids	+/- 50%
0.20 to 1.995	0.005	+/- 30 bids	+/- 50%
2.00 and above	0.01	+/- 30 bids	+/- 50%



Illustration 1 (+/-300% FOR)

DLC price: \$0.002
 Existing price range for order entry: \$0.001 to \$0.032
 New price range for order entry: \$0.001 to \$0.008

Illustration 2 (+/-50% FOR)

DLC price: \$1.000
 Existing price range for order entry: \$0.850 to \$1.150
 New price range for order entry: \$0.500 to \$1.500

What is FOR?

- FOR is a safeguard at the exchange level that alerts investors when orders entered exceed price thresholds.
- Market participants can still ‘force’ an order through at a price which lies outside the FOR.

Why is SGX changing the DLC FOR?

- The new FOR will allow for a consistent range of price movement before thresholds are exceeded. This simplifies the computation and enhances investors’ experience with order placement and trade exits.

How does this change affect me?

- As DLC is a leveraged instrument which magnifies the underlying asset’s price movement, investors anticipating significant price movements can now set orders within a recalibrated price range that reduces the need for forced orders.

 <http://www.sgx.com/DLC>