

One Year Mid-Curve STIBOR Options

Facts about one year mid-curve STIBOR Options

Contract type	Option on future
Style of option	European
Contract base	One 3-Months STIBOR future contract
Contract base size	One future contract (Underlying value nominal SEK 1,000,000)
Trading	Trades are reached through bilateral negotiations between buyers and sellers, and reported to NASDAQ for central counterparty clearing
Price/premium	Expressed in basis points. The premium is multiplied with the options Basis Point Value
Tick size	0,01
Premium settlement day	The first bank day after registration
Exercise price	Expressed as effective interest rate
Exercise	Automatic exercise
Expiration months	March, June, September and December
Expiration settlement day	According to underlying future
Expiration day/final day of trading	Two bank days prior to the third Wednesday of the expiration month. Last time for registration is 11.00 CET on the expiration day
Expiration fix	Fixing of 3-month STIBOR is established on expiration day at 11.05 CET
Periodic settlement	No periodic settlement
Offsetting	Offsetting can take place during the entire term
Series term	Twelve months
Series Listing	Upon Request

Market model

Trades in one year mid-curve STIBOR Options will be reached through bilateral negotiations between buyers and sellers, and reported to NASDAQ OMX for central counterparty clearing. In practice, no payment or delivery takes place between the buyer and seller when the contract is cleared; instead, each party receives/pays from/to the exchange (the clearing house).

Trade registration

Trades can be registered via Clearing Workstation, FIX or OMnet API.

For more information about FIX and OMnet API, click [here](#)

Information about trade registration in Clearing Workstation can be found [here](#).

Contract base and settlement principles

The contract base is one 3-Months STIBOR future contract with expiration day one year ahead of the relevant option contract expiration day. When an option contract is held until expiry, it will be automatically exercised against the 3-Month STIBOR fix. The option contract will, when exercised, fall into a 3-Month STIBOR future contract with expiration date one year ahead and with a trade price that is corresponding to the strike price of the option. There is no delivery of the underlying loan amount. Only a cash amount will be settled on a daily basis until expiration day of the underlying 3-Month STIBOR future. Please refer to product guide for STIBOR Futures for more details regarding cash settlement.

Settlement and offsetting

All purchased and sold contracts in the same series are entirely off settable against each other. This means that only one net position is held against the clearing house and, if the contracts sold equal those purchased, the portfolio may be said to be closed in practice.

Name standard

Contracts are listed by the contract base short name 3STIBFRA followed by the following:

- A letter designation for the option expiration month
- The number of the year for the option expiration year
- Underscore
- The strike price
- The type of option (call or put)
- The letters "DEL" and
- A letter designation for the underlying future expiration month
- The number of the year for the underlying future expiration year

Option Expiration	Contract Base Expiration	Contract Base	Strike Price	Call/Put	Option Name
September 2015.	September 2016.	3STIBFRAU5	0.100	Call	3STIBFRAU5_0.100CDELU6
December 2015.	December 2016.	3STIBFRAZ5	0.200	Call	3STIBFRAZ5_0.200CDELZ6
March 2016	March 2017	3STIBFRAH6	0.300	Call	3STIBFRAH6_0.300CDELH7
June 2016	June 2017	3STIBFRAM6	0.400	Put	3STIBFRAM6_0.400PDELM7
September 2016.	September 2017.	3STIBFRAU6	0.500	Put	3STIBFRAU6_0.500PDELU7
December 2016.	December 2017.	3STIBFRAZ6	0.600	Put	3STIBFRAZ6_0.600PDELZ7