

Key Information Document – Bond Futures

Purpose

This document is provided in relation to the EU Packaged Retail and Insurance-based Investment Products Regulation. The document provides you with key information about this investment product. It is not marketing material. The information is required by law to help you understand the nature, risks, costs, potential gains and losses of this product and to help you compare it with other products.

You are about to purchase a product that is not simple and may be difficult to understand.

Product

Name of PRIIP	Bond futures
Specific Contracts Included	Details of the specific products covered by this document can be found on the SGX website at http://www.sgx.com/wps/portal/sgxweb/home/products/derivatives/at-a-glance/priips
PRIIP manufacturer	Singapore Exchange Derivatives Trading Limited (“SGX-DT”) Contact the manufacturer at http://sgx.com/wps/portal/sgxweb/home/contact_us/
Competent authority of the PRIIP manufacturer	Monetary Authority of Singapore
KID date of production	2 February 2018

What is this product?

Type: Bond futures are derivatives contracts for the contract holder to buy or sell a bond on a specified date at a predetermined price.

Objectives: A futures contract is an agreement to buy or sell an underlying asset (in this case, bonds) at a specified time in the future at an agreed price. The specific contracts included in this document are cash settled in the settlement currency on the final settlement date.

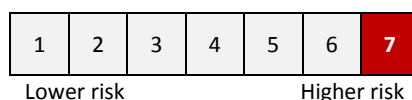
When entering into a futures position, no initial payment is made between the buyer and seller. The parties will each earn or lose an amount, depending on fluctuations in the price of the underlying. Such profit or loss is calculated as the difference between the underlying’s value at the contract’s expiry less the value at the time the contract was entered into. The buyer profits if the value has increased at expiry, while the seller profits if the value has decreased. Futures contracts are offered for trading/clearing on margin, which is an amount of money that must be deposited when a futures position is opened. The amount of margin held on deposit must be maintained at a minimum level set by your clearing member firm, and this amount is topped up when there is a loss on a position.

A futures contract has a pre-defined maturity date, but a buyer or seller may exit its position prior to expiry by entering into an opposite position on the same contract terms. In certain emergency circumstances, trading access may be suspended and positions may be terminated, based on SGX-DT’s or the clearing house’s rules (which can be found at <http://rulebook.sgx.com>).

Intended retail investor: Bond futures are typically intended for sophisticated investors with extensive knowledge and/or past experience in derivatives products. Futures are leveraged instruments, and because only a percentage of the contract’s value is required to trade, it is possible to lose more than the amount of money deposited for a futures position. Investors in this contract may have varying investment strategies and needs, including but not limited to speculation, arbitrage or hedging, and should adopt their investment horizons accordingly.

What are the risks and what could I get in return?

Risk indicator:



Summary Risk Indicator: 7

The risk indicator assumes that a future is held until its expiration. The actual risk can vary significantly if you cash in at an early stage and you may get back less. Some futures and futures strategies have limited risk, but some can be high risk. Events, such as early closure of the position, may significantly impact the value of a future.

The summary risk indicator is a guide to the level of risk of this product compared to other products. It shows how likely it is that the product will lose money because of movements in the markets or because we are unable to pay you.

We have classified this product as 7 out of 7, which is the highest risk class. This rates potential losses from future performance at a very high level. Changes in the futures contract's price can result in large gains or losses.

Be aware of currency risk. You may receive payments in a different currency depending on the product, so the final return you get may depend on the exchange rate between the two currencies. This risk is not considered in the indicator shown above.

In some circumstances you may be required to make further payments to pay for losses. **The total loss you may incur may significantly exceed the amount invested.**

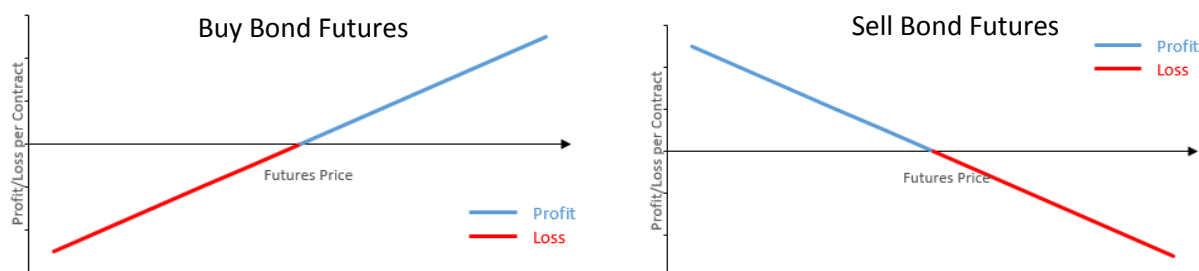
This product does not include any protection from future market performance so you could lose some or all of your investment.

The product is listed for trading on a futures market and there is no committed liquidity offered by market makers or SGX-DT. Therefore, liquidity depends only on the availability of buyers and sellers in the market. Regular trading activity observed at one point in time does not guarantee regular trading at any other point in time.

If the intermediary you are facing is unable to pay you what is owed, you could lose your entire investment.

Performance scenarios:

These graphs illustrate how your investment could perform. You can compare them with the pay-off graphs of other derivatives. Each of the graphs presented gives a range of possible outcomes and is not an exact indication of what you might get back. What you get will vary depending on how the underlying performs. For each value of the underlying, the graphs show what the profit or loss of the product would be at expiry of the product. The horizontal axis shows the various possible prices of the underlying value on the expiry date and the vertical axis shows the profit or loss.



Buying (or, as the case may be, selling) this product indicates the view that you think the underlying price will increase (or, as the case may be, decrease).

The graphs shown do not take into account the costs that you pay to your advisor or distributor, as well as your personal tax situation, which may impact your return from the product.

What happens if SGX-DT is unable to pay out?

SGX-DT provides a trading platform for market participants, but does not act as counterparty to any trade. Trades matched on SGX-DT are sent to Singapore Exchange Derivatives Clearing Limited (“**SGX-DC**”) for central clearing. SGX-DC receives margin from its participants and maintains a clearing fund, which will be drawn upon in the event of a default. SGX-DC faces only its clearing members contractually, who in turn may hold direct or indirect brokerage relationships with the retail investor. The investor may thus be facing the credit risk of its broker.

What are the costs?

Costs over time: SGX-DT does not charge the end-investor any fees or costs directly. Instead, it charges its trading members (and SGX-DC charges its clearing members) certain trading and clearing fees. The person selling you or advising you about this product may charge you other costs (including fees). If so, this person will provide you with information about these costs, and show you the impact that all costs will have on your investment over time.

Composition of costs: As SGX-DT does not charge fees or costs to the investor directly, there is no impact on the investment return that the investor may get. The investor should instead take note of the impact that his broker's fees and costs have on his returns.

How long should I hold it and can I take money out early?

There is no recommended or minimum holding period for this product. A futures contract has a pre-defined maturity date, but a buyer or seller may exit its position prior to expiry by entering into an opposite position on the same contract terms. SGX-DT does not impose any fee or penalty on the end-investor for closing a position.

How can I complain?

To lodge a complaint about a product or the PRIIP manufacturer's conduct, please contact SGX-DT through http://sgx.com/wps/portal/sgxweb/home/contact_us/, by emailing us at asksgx@sgx.com or in hardcopy, addressed to SGX-DT at 2 Shenton Way, #02-02 SGX Centre 1, Singapore 068804. Please contact your broker directly if your complaint relates to them.

Other relevant information

Further information on the Bond futures can be found at www.sgx.com.