Short Gilt Future

Contract Specifications

Description	Deliverable futures contract on UK Gilts with maturities of 1 year and 6 months to 3 years and 3 months
Contract Symbol	G
Unit of Trading	£100,000 nominal value notional Gilt with 3% coupon (December 2011 delivery month onwards)
Delivery Date	Any business day in delivery month (at seller's choice)
Delivery Month	March, June, September, December, such that the nearest two quarterly delivery months are available for trading
Quotation	Per £100 nominal
Minimum Price Fluctuation	0.01 (£10)
Last Trading Day	Two business days prior to the last business day in the delivery month. On the Last Trading Day, trading in the front delivery month will cease at 11:00
Exchange Delivery Settlement Price	The London market price at 11:00 on the second business day prior to Settlement Day. The invoicing amount in respect of each Deliverable Gilt is to be calculated by the price factor system. Adjustment will be made for full coupon interest accruing as at Settlement Day.
Algorithm	Central order book applies a first in first out (FIFO) matching algorithm.
Wholesale Trade Types	Block Trading, Basis Trading, Asset Allocation Minimum Volume Thresholds can be found here

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Maturities	1 year and 6 months to 3 years and 3 months
Contract Standard	Delivery may be made of any gilts on the List of Deliverable Gilts in respect of a delivery month of an Exchange Contract, as published by the Exchange on or before the tenth business day prior to the First Notice Day of such delivery month. Holders of long positions on any day within the Notice Period may be delivered against during the delivery month. All gilt issues included in the List will have the following characteristics: having terms as to redemption such as provide for redemption of the entire gilt issue in a single instalment such that the length of time to the maturity date from, and excluding, the first date of the relevant delivery month is within the maturity range for the relevant Exchange Contract specified by the Board in the Contract Details; having no terms permitting or requiring early redemption; bearing interest at a single fixed rate throughout the term of the issue payable in arrears semi-annually (except in the case of the first interest payment period which may be more or less than six months); being denominated and payable as to the principal and interest only in Pounds and pence; being fully paid or, in the event that the gilt issue is in its first period and is partly paid, being anticipated by the Board to be fully paid on or before the Last Notice Day of the relevant delivery month; not being convertible; not being in bearer form; having been admitted to the Official List of the UK Listing Authority; and being anticipated by the Board to have on one or more days in the delivery month an aggregate principal amount outstanding of not less than £1.5 billion which, by its terms and conditions, if issued in more than one tranche or tap or issue, is fungible. Note for December 2011 Delivery Month onwards: The notional coupon of the Short Gilt futures contract will be revised from 6% to 3%, effective for the December 2011 delivery month.
First Notice Day	Two business days prior to the first day of the delivery month
Last Notice Day	First business day after the Last Trading
Markers	TAS (Trade at Settlement)
Additional Information	Potential users of the Short Gilt Futures Contract should familiarize themselves with the relevant Contract Terms and Administrative Procedures. Potential users should consider the risks of holding a position into the Notice Period of a Gilt Contract wherein they are potential buyers or sellers in the delivery process. In particular, they should familiarize themselves with the use of Price Factors and the EDSP price formation process as these are both constituents of the formula for the calculation of the invoicing amount. NOTE: All times are London, unless otherwise stated