



# Guide to Night Session in KRX Derivatives Market



KRX  
Derivatives Market

April 2025



# **Guide to Night Session in KRX Derivatives Market**

April 2025

**KRX  
Derivatives Market**

This guidebook was written to briefly explain the main contents of the night trading of the Korea Exchange Derivatives Market. For more detailed information, please refer to the Korea Exchange Derivatives Market Business Regulations and Enforcement Rules that will be implemented in June 2025. In the event of any differences between this material and the regulations, the relevant regulations and rules shall always take precedence. In addition, the English translation of Guide to Night Session in the KRX Derivative Market is published for general informational purposes. The KRX assumes no liability for any discrepancy, omission, inaccuracy, or incompleteness in the English translation.

## Guide to Night Session in KRX Derivatives Market

**Publication Date** April 2025

**Published by** Derivatives Market, Korea Exchange (KRX)

**Design** Knowledge and sensitivity\*

**Address** BIFC, 40 Munhyeongeumyung-ro, Nam-gu, Busan 48400, Republic of Korea

※ Contact: Task Force for Market Infrastructure Development  
(Email: [night.session@krx.co.kr](mailto:night.session@krx.co.kr))



# Guide to Night Session in KRX Derivatives Market



KRX  
Derivatives Market

April 2025



## Publisher's Note

‘Money never sleeps.’

This sentence, which is also the subtitle of a movie, is a widely known adage in the investment world. Even while we sleep, news that will change the value of our investment portfolio is being created somewhere in the world. There is no fixed time for the flow of global capital. Therefore, it is necessary to prepare for risks that occur after the closing of spot markets, which are mostly set to the local time zone. That is how the night session in the derivatives market was born naturally.

A market that never stops even at night provides an opportunity to continue investment activities regardless of time differences. It is possible to respond to overseas market events in a timely manner, and global investors can participate in markets globally, at any time. Derivatives exchanges that have attempted rapid change and reform have competitively expanded their trading hours to secure liquidity. The development of information technology(IT) has become an important foundation for supporting this.

In line with this trend, the Korea Exchange has also conducted extensive research on foreign market cases to introduce a night session, collected a wide range of opinions from market participants,



and thoroughly developed a computer system for the stable operation of the night session. Finally, the KRX derivatives market has completed its preparations and is now at the standing line of a new journey: the first night trading session in the history of the Korean capital market.

This booklet covers the main aspects of the KRX derivatives market's night session, including trading rules, clearing and settlement, customer order handling, and other market operation systems. However, as most of the night session systems are similar to those of the regular daytime session, we have focused on describing the differences between the two sessions. Additionally, we have strived to make this booklet a reliable guide by including examples of concepts that are easily confused or important matters concerning investor protection. We hope that this booklet will help you understand night trading on the Korea Exchange derivatives market.

We invite you to the KRX derivatives market that never sleeps.

April, 2025

KRX Derivatives Market

President Kyungsik Lee

# Contents

Publisher's Note	4
------------------	---

## 01 Overview of Night Session

---

1.1 Background	8
1.2 Expected Effects	10
A. Reduction of Trading Costs	10
B. Stability of Market Operation	10
C. Improvement of Risk Management	10
D. Trading Convenience for Investor	11
1.3 Night Trading Cases of Overseas Exchanges	12

## 02 Main Trading Rules in Night Session

---

2.1 Basic Principles	18
2.2 Trading Rules	18
A. Trading Hours and Trading Days	18
B. Tradable Products for Night Trading	22
C. Types and Conditions of Quotations	23
D. Quotation Price Limit	25
E. Quotation Quantity Limit	28
F. Trade Execution	30
G. Others	36

<b>2.3 Clearing and Settlement</b>	36
A. Settlement Method	36
B. Daily Marking-to-Market	37
C. Offsetting of Open Interests	38
D. Member Margin	38
E. Member Margin Deposit Deadline	41
<b>2.4 Entrustment of Trades</b>	42
A. Opening of Derivatives Accounts and Delivery of Service Agreement	42
B. Refusal to Accept Customer's quotation	46
C. Basic Deposit	46
D. Upfront Initial Customer Margin	47
E. Ex-post Customer Margin	48
F. Payment and Appropriation of Customer Margin	49
G. Additional Deposit of Customer Margin	49
H. Measures against Non-deposit of Additional Customer Margin	50
<b>2.5 Other Market Management</b>	51
A. Application of Substitute Price, etc.	51
B. Open Interest Position Limits	52
C. Restriction on Receipt of Excessive Quotations	53
D. Charge for Excessive Quotations	53
E. Management of Algorithmic Trading	54

## **03** Appendix

---

<b>3.1 Historical Changes in KRX Derivatives Market Trading Hours</b>	55
<b>3.2 List of Products tradable for Night Session</b>	56



# Overview of Night Session

## 1.1 Background

The Korea Exchange(KRX) has been providing the night trading services(hereinafter referred to “night trading” or “night session”) in cooperation with major global exchanges, such as CME and Eurex, since 2009. Night trading has provided investors with risk management tools and various investment strategies to cope with changes in stock price and exchange rate in overseas markets during nighttime hours.

[Trading Linked to CME and Eurex]

	CME-linked Trading	Eurex-linked Trading
Operation period	2009~April 2020	2010~To be terminated on June 5, 2025
Trading hours	18:00~05:00 the next day, Korean time	18:00~05:00 the next day, Korean time
Product traded	KOSPI 200 Futures, USD Futures	KOSPI 200 Futures, KOSPI 200 Options, Mini-KOSPI 200 Futures, KOSPI 200 Weekly Options, USD Futures
Trading procedure	Trading and settlement of products in the same way as those at regular session(Notification of trade details to KRX and KRX members from CME)	Trading of futures with 1 day expiration and settlement on Eurex market(Transfer of Eurex trade balance to KRX in the next morning)
	<pre> graph LR     A[Domestic and foreign investors] -- ① Order --&gt; B[KRX member]     B -- ② Quotation --&gt; C[USG System]     C -- ② Quotation --&gt; B     C -- ③ Execution --&gt; D[CME Globex]     D -- ④ Notification of trade details --&gt; B     B -- ⑤ Notification of trade details --&gt; E[KRX]             </pre>	<pre> graph LR     A[Domestic and foreign investors] -- ① Order --&gt; B[KRX member]     B -- ② Order --&gt; C[Eurex member]     C -- ③ Quotation --&gt; B     C -- ④ Execution --&gt; D[Eurex]     D -- ⑤ Notification of night transaction balance --&gt; B     B -- ⑥ Notification of night transaction balance --&gt; E[KRX]     B -- ⑦ Transfer of night transaction balance to account at KRX --&gt; F[KRX]             </pre>

The reasons why KRX has linked up with overseas exchanges include reducing initial investment costs, utilizing the recognition of global derivatives exchanges, and acquiring know-how in operating night trading.

Based on over a decade of experience operating the linked night trading and its robust IT infrastructure, KRX is now transitioning to its own night session. The launch is targeted for early June 2025, and the official implementation schedule will be announced once finalized.

#### **Q Will existing night trading linked to Eurex end? If so, when?**

KRX has decided to terminate the Eurex-linked night trading when it launches its own night trading after gathering opinions from members and industry community. According to this decision, the Eurex-linked night trading was decided to end at 4:00\* on Thursday, June 5, 2025. The termination time of Eurex-linked night trading is close to the start date of KRX's in-house night trading, early June, 2025, and was set in a way to minimize inconvenience to investors due to the gap in night trading.

\* Due to the implementation of daylight saving time(DST), trading is available until 4:00 a.m.

## **1.2 Expected Effects**

### **A. Reduction of Trading Costs**

In linked trading, investors had to access KRX-listed derivatives on Eurex through a KRX member and then via a Eurex member. This complex structure resulted in higher transaction costs. In contrast, KRX's night session allows investors to trade KRX derivatives directly through KRX members, just as in regular trading hours. As a result, market participation costs for member firms are expected to decrease, and transaction costs for investors are likely to be reduced.

### **B. Stability of Market Operation**

KRX's own night trading also has advantages in terms of market operation stability. First, since transactions take place in a market directly operated by KRX, it is possible to improve systems and regulations in a timely manner. In addition, risk factors beyond KRX's control, such as cross-border network issues that could occur in existing linked trading, can be reduced.

### **C. Improvement of Risk Management**

KRX's night session product lineup has been significantly expanded from 5 to 10 products, compared to those previously available through the Eurex linkage. In addition to the five products available during the Eurex linkage(KOSPI 200 Futures and Options, Mini KOSPI 200

Futures, KOSPI 200 Weekly Options, and USD Futures), the night session now includes KOSDAQ 150 Futures and Options, Mini KOSPI 200 Options, and 3-year and 10-year KTB Futures. With this broader range of products, investors are expected to benefit from more diversified trading strategies and enhanced risk management opportunities.

#### **D. Trading Convenience for Investor**

In the previous linkage trading, transactions were conducted in accordance with the trading rules and systems of overseas exchanges. As a result, investors who were familiar with KRX's market structure often experienced discomfort with the unfamiliar trading conditions. KRX's own night session, however, operates entirely under its own rules and systems. This is expected to improve investor convenience by eliminating the discomfort associated with differing trading frameworks in the past.

## 1.3 Night Trading Cases of Overseas Exchanges

The U.S. and European exchanges, which have abundant experiences and know-how in operating derivatives markets, have established a 24-hour trading system.

[Night Trading of U.S. and European Exchanges]

	CME(U.S.)	ICE(Europe)	Eurex(Europe)
Operating type	in-house 24-hour trading		
Start year	1992	2007	2018
Trading hours	18:00~17:00 the next day	20:00~18:00 the next day	01:00~22:30
	23 hours	22 hours	21.5 hours

In addition, with the advancement of IT technology and accumulation of market operation experiences, major Asian exchanges such as those in Japan, Taiwan, Hong Kong, and Singapore have also introduced their own night trading following the U.S. and European exchanges to enhance their competitiveness.

[Night Trading of Asian Exchanges]

	Japan(JPX)	Hong Kong(HKEX)	Taiwan(TAIFEX)	Singapore(SGX)
Operating type	in-house night session			
Start year	2007	2013	2017	2010
Day trading	08:45~15:15	09:15~16:30	08:45~13:45	09:00~16:30
Night trading	16:30~06:00 the next day	17:15~03:00 the next day	15:00~05:00 the next day	17:00~05:15 the next day
Trading hours	20 hours	17 hours	19 hours	20 hours 15 minutes

## Chapter 02

# Main Trading Rules in Night Session

### [Summary of Main Trading Rules in Night Session]

Trading Hours and Products	
Trading hours	<ul style="list-style-type: none"> <li>■ <b>18:00~06:00 the next day</b>(about 12 hours) <ul style="list-style-type: none"> <li>* Quote receiving hours: 17:50~06:00 the next day</li> </ul> </li> </ul>
Date of trading	<ul style="list-style-type: none"> <li>■ <b>Considered as the T+1 transactions</b></li> </ul>
Reference Time for applying market holidays	<ul style="list-style-type: none"> <li>■ <b>Night session start time</b> <ul style="list-style-type: none"> <li>* If the night session is scheduled to begin on a regular session holiday, it will not open</li> </ul> </li> </ul>
Tradable products	<ul style="list-style-type: none"> <li>■ <b>Equity derivatives</b>(7 products) <ul style="list-style-type: none"> <li>- Futures: KOSPI 200 Futures, Mini-KOSPI 200 Futures, <u>KOSDAQ 150 Futures</u></li> <li>- Options: KOSPI 200 Options, <u>Mini-KOSPI 200 Options</u>, KOSPI 200 Weekly Options(Monday and Thursday Contracts), <u>KOSDAQ 150 Options</u></li> </ul> </li> <li>■ <b>FICC derivatives</b>(3 products) <ul style="list-style-type: none"> <li>- Futures: USD Futures, <u>3-Yr KTB Futures</u>, <u>10-Yr KTB Futures</u> <ul style="list-style-type: none"> <li>* The underlined products are 5 new products added to KRX's own night trading in addition to the existing 5 Eurex-linked trading products.</li> </ul> </li> </ul> </li> </ul>

Trading	
Quotation types	<ul style="list-style-type: none"> <li>■ Same as regular trading</li> <li>* limit order, market order, limit-to-market-on-close order, Immediately executable limit order</li> </ul>
Validity and condition of quotations	<ul style="list-style-type: none"> <li>■ Same as regular trading</li> <li>* Validity: Valid during night trading hours</li> <li>Condition: IOC and FOK allowed</li> </ul>
Cancellation and correction of quotations	<ul style="list-style-type: none"> <li>■ Same as regular trading</li> </ul>
Base price	<ul style="list-style-type: none"> <li>■ Applying base price for regular trading on T+1 day</li> </ul>
Quotation price limits	<ul style="list-style-type: none"> <li>■ Applying reduced price limits compared to regular trading</li> <li>* For equity derivatives only, the 1st phase price limit(8%) of regular trading is applied.</li> <li>cf. Price limits in regular trading session: 1st stage(8%), 2nd stage(15%), 3rd stage(20%)</li> <li>■ Applying expanded real-time price limits compared to regular trading</li> <li>* Applying volatility rates(Futures) and price fluctuation range(Options) expanded twice the level of regular trading</li> </ul>
Quotation quantity limits	<ul style="list-style-type: none"> <li>■ Quotation quantity limits are reduced to half the level of regular trading</li> <li>* Applying reduced limits to both quotation quantity and accumulated quotation quantity.</li> </ul>
Negotiated block trading	<ul style="list-style-type: none"> <li>■ Same as regular trading</li> </ul>
Handling of trading errors	<ul style="list-style-type: none"> <li>■ Same as regular trading</li> <li>* real time price limit, resolution of large-sized trading errors by investors</li> </ul>
Details of public announcement of price, etc.	<ul style="list-style-type: none"> <li>■ Same as regular trading</li> </ul>
Market maker	<ul style="list-style-type: none"> <li>■ Not introduced</li> </ul>

Clearing and Settlement	
Clearing	<ul style="list-style-type: none"> <li>Trade positions attained during night trading are settled by combining them with those attained during regular trading on T+1 day</li> </ul>
Member margin	<ul style="list-style-type: none"> <li>Member margin is recalculated and adjusted for positions after the end of night trading <ul style="list-style-type: none"> <li>* It is imposed only when the deposit amount necessary is 120% or KRW 50 billion or more compared to the end of regular trading</li> </ul> </li> </ul>
Intraday margin	<ul style="list-style-type: none"> <li>Not applied</li> </ul>

Entrustment of Trades and Miscellaneous Matters	
Type of membership	<ul style="list-style-type: none"> <li>Same as regular trading</li> </ul>
Derivatives account	<ul style="list-style-type: none"> <li>Same as regular trading(also applies to foreigner's consolidated accounts) <ul style="list-style-type: none"> <li>* However, it is necessary to re-issue the derivatives service agreement and re-deliver the derivatives risk warning statement and request the acknowledgement of receipt.</li> </ul> </li> </ul>
Basic deposit and customer margin	<ul style="list-style-type: none"> <li>Same as regular trading</li> </ul>
Measures against settlement failure	<ul style="list-style-type: none"> <li>Same as regular trading</li> </ul>
Open interest position limits	<ul style="list-style-type: none"> <li>Same as regular trading</li> </ul>
Handling of excessive quotations	<ul style="list-style-type: none"> <li>Charge for excessive quotations during night session is imposed separately from that of regular session <ul style="list-style-type: none"> <li>* However, the charging standard is the same as that for regular trading</li> </ul> </li> </ul>
Management of algorithmic trading	<ul style="list-style-type: none"> <li>Same as regular trading <ul style="list-style-type: none"> <li>* Registration of algorithmic trade account and providing risk management tool</li> </ul> </li> </ul>



[Regular Session v.s. Night Session]

a. Quotation Price Limit

			Regular Session	Night Session
Price limits	Reduced price limits apply to night trading compared to regular trading (However, the same price limits as regular trading are applied to FICC derivatives)			
	Equity derivatives		Step 1: 8% Step 2: 15% Step 3: 20% (Spread trades: 5%)	8% (Spread trades: 2.5%)
	FICC derivatives	USD Futures	4.5% (Spread trades: 3%)	
		3-Yr KTB Futures	1.5% (Spread trades: 1.5%)	
		10-Yr KTB Futures	2.7% (Spread trades: 2.7%)	
Real time price limits	Real-time price limits is expanded to twice the level of regular trading			
	Equity derivatives	KOSPI 200 Futures Mini-KOSPI 200 Futures KOSDAQ 150 Futures	1.0% (Spread trades: 1.0%)	2.0% (Spread trades: 2.0%)
		KOSPI 200 Options (including weekly options)	Rates in Annex 25 in the Enforcement Rules	Rates in Annex 25 in the Enforcement Rules×2
	FICC derivatives	USD Futures	1.0% (Spread trades: 1.0%)	2.0% (Spread trades: 2.0%)
		3-Yr KTB Futures	0.5% (Spread trades: 0.5%)	1.0% (Spread trades: 1.0%)
		10-Yr KTB Futures	0.9% (Spread trades: 0.9%)	1.8% (Spread trades: 1.8%)

b. Quotation Quantity Limit

			Regular Session	Night Session
<b>Quotation quantity limit in night trading is reduced to half the level of regular trading</b>				
<b>Quotation quantity limit</b>	Equity derivatives	KOSPI 200 Futures	2,000 (Spread trades: 2,000)	1,000 (Spread trades: 1,000)
		Mini-KOSPI 200 Futures	10,000 (Spread trades: 10,000)	5,000 (Spread trades: 5,000)
		KOSDAQ 150 Futures	1,000 (Spread trades: 1,000)	500 (Spread trades: 500)
		KOSPI 200 Options	2,000	1,000
		Mini-KOSPI 200 Options	10,000	5,000
		KOSPI 200 Weekly Options	2,000	1,000
		KOSDAQ 150 Options	1,000	500
	FICC derivatives	USD Futures	5,000 (Spread trades: 10,000)	2,500 (Spread trades: 5,000)
		3-Yr KTB Futures	1,000 (Spread trades: 5,000)	500 (Spread trades: 2,500)
		10-Yr KTB Futures	1,000 (Spread trades: 2,000)	500 (Spread trades: 1,000)
<b>Accumulated quotation quantity limit</b>	KOSPI 200 Futures (including futures spread)	Algorithmic trading accounts	15,000 each for upward/downward direction	7,500 each for upward/downward direction
		Non-algorithmic trading accounts	30,000 each for upward/downward direction	15,000 each for upward/downward direction
	KOSPI 200 Options (including weekly options)	Algorithmic trading accounts	75,000 each for upward/downward direction	37,500 each for upward/downward direction
		Non-algorithmic trading accounts	150,000 each for upward/downward direction	75,000 each for upward/downward direction

## 2.1 Basic Principles

The various trading rules applied to night trading in the KRX derivatives market are basically not much different from those for regular trading. Considering this, this guidebook focuses on the differences in trading rules between regular trading and night trading.

## 2.2 Trading Rules

### A. Trading Hours and Trading Days

#### □ Trading Hours

Night trading in the KRX derivatives market is conducted for a total of 12 hours from 6 PM to 6 AM the next day, and quotation reception begins 10 minutes earlier, at 5:50 PM.

[Night Session Quotation Receiving and Trading Hours]

17:50~18:00	18:00	18:00~5:50 the next day	5:50~6:00	6:00
Quotation receipt for opening call auction	Determining opening price	Continuous trading	Quotation receipt for closing call auction	Determining closing price

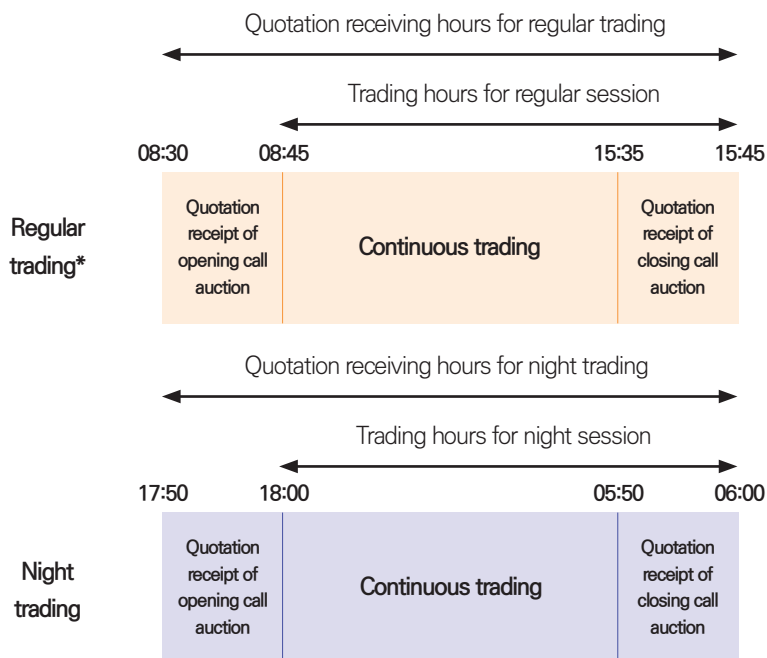
\* Night trading hours are set to overlap partially with the trading hours of US and European stock markets, which have a high correlation with the KRX market.

The reason why there is time between regular session and night session, rather than immediately following the end of regular trading, is to allow time for closing procedures, including the calculation of the base price and preparation for the night session.

**Q Why did KRX set its night trading hours from 18:00 to 06:00 the next day?**

KRX has set its night trading hours in consideration of the opening time of Eurex-linked night trading(18:00) and the closing time of the US stock market(6:00 the next day). In the future, considering the impact of night trading hours on regular trading operations and opinions of investors and members, KRX will consider adjusting the night trading hours if necessary.

**[Quotation Receiving Hours for Regular and Night Trading]**



\* e.g. Equity derivatives including KOSPI 200 Futures, etc.

## □ Trading Days

The trading day of night trading is the date at the end of the night session. In other words, the trading concluded in the night session that starts today(T) at 6 PM and ends tomorrow(T+1) at 6 AM is considered as the trading concluded tomorrow(T+1) together with trading concluded in regular session tomorrow(T+1). This was decided in consideration of the cases of overseas exchanges that operate night session\* and the consistency with the clearing and settlement cycle\*\*.

\* The trading date of trades concluded in the night session of most overseas exchanges is the next day(T+1)

\*\* Trades concluded in the night session today are combined with those concluded in the regular session the next day, and their clearing and settlement is processed together(refer to "2.3 Clearing and Settlement System")

## □ Market Holidays

The night trading holiday is determined based on the start time of night session. If the date on which night trading is scheduled to begin falls on a regular trading holiday, the night session will not be opened on that day.

As night trading is scheduled from Monday to Friday, if the night session's start date falls on a holiday(weekend, public holiday, etc.), that day's night trading is canceled. Conversely, even if regular trading is closed tomorrow, night trading is proceeded as scheduled if regular trading is conducted today.

For example, since Thursday, August 14, 2025 is a regular trading day, night trading that begins on that day also opens. Friday, August 15 is a Korean public holiday, so regular trading is closed and night trading that begins on that day is also closed. On the weekend of Saturday and Sunday, August 16 and 17, regular trading is closed and night trading is also closed. On Monday, August 18, regular trading opens on that day, so night trading that begins on that day also opens normally. In other words, whether night trading is closed or not is determined by whether regular trading is closed on the day that night trading begins.

[Night Market Holiday Example(2025)]

	Aug. 14(Thu.)	Aug. 15(Fri.)	Aug. 16(Sat.)	Aug. 17(Sun.)	Aug. 18(Mon.)	
■ Regular trading	Open	Holiday	Holiday	Holiday	Open	
■ Night trading		Open	→Holiday	→Holiday	→Holiday	Open

Unlike determining the opening of night trading based on the opening of the regular trading on the same trading day, the reason for setting the night trading holiday based on the opening of the previous regular session is to align with the standards of Eurex linked trading and overseas exchanges\*, thereby preventing investor confusion.

\* Asian exchanges(Japan, Taiwan, Hong Kong) that operate night trading also set the trading day as T+1 trading, but apply market holidays based on the opening time of night trading.

## B. Tradable Products for Night Trading

The scope of products for night trading includes 10 products with high liquidity in regular trading as follows:

[Products for Night Trading of Derivatives Market]

■ Equity derivatives(7)	Futures	KOSPI 200 Futures, Mini-KOSPI 200 Futures, <u>KOSDAQ 150 Futures</u>
	Options	KOSPI 200 Options, Mini-KOSPI 200 Options, KOSPI 200 Weekly Options(Monday and Thursday contracts), <u>KOSDAQ 150 Options</u>
■ FICC derivatives(3)		USD Futures, <u>3-Yr KTB Futures</u> , <u>10-Yr KTB Futures</u>

\* The underlined products indicate products(5) newly added to night trading in comparison with Eurex-linked trading.

\*\* Intra-product spreads are tradable in night session but inter-product spreads are not.

As can be seen from the table above, the number of products for night trading has significantly expanded compared to the existing 5 products for Eurex-linked trading. KRX will continue to expand the number of products for night trading in consideration of market conditions following the launching of night trading.

### □ Listing of New Delivery Month Contract and Last Trading Day

Based on the trading day standard of T+1, listings of new delivery month contracts or addition of new options exercise prices take place first in the night trading. In addition, delivery month contracts that have reached their last trading day are traded only until the end of regular session, and new delivery month contracts are listed and traded from the night trading that begins on that day.

For easier understanding, let's take the KOSPI 200 Futures 2025 September contract as an example. The last trading day for the September 2025 contract is September 11, the second Thursday of the delivery month. In other words, this product is traded only until the regular trading on September 11, and a new delivery month contract(September 2026 contract) is listed and traded on the night session that opens on that day.

Exceptionally, the listing and trading of a product that is first introduced to the derivatives market begin from the regular session. This is because sufficient preparation and testing period is required prior to listing for new products.

## **C. Types and Conditions of Quotations**

Considering the trading convenience of market participants and the global consistency, etc.\*, the types, conditions, cancellations, and corrections of quotations are all the same as regular trading.

\* In major overseas exchanges, the types of quotations for night trading and regular trading are the same.

Therefore, limit order, market order, limit-to-market-on-close order, immediately executable limit order which are available in regular trading can all be used in night trading, and quotations with IOC and FOK conditions can also be used.



In addition, for submitted quotations, cancellation of all or part of the quotation quantity and correction of the quotation type and price are possible in the same way as in regular trading.

## ☐ **Validity of quotations**

The quotations submitted during regular trading and night trading do not affect each other's validity. Therefore, quotations submitted during the night are valid only until the end of the night trading period, and quotations that are not executed by the end of the night trading period lose their validity.

## ☐ **Quotation Details and Input Method**

The quotation details and input method are basically the same as the existing regular trading. Accordingly, members must check the validity of quotations using the same criteria as the regular trading, and only quotations that meet the criteria must be sent to the Exchange derivatives system through the member derivatives system.

In case of a failure in the member derivatives system during this process, quotations can be entered using the member derivatives terminal.

### D. Quotation Price Limit

#### □ Base Price of quotation

Since trades executed in night trading has the same trading date as those executed in regular session the next day, the base price applied to the quotation price limit is the same as that applied to regular trading the next day.

[Base Price of Night Trading]

Trading Period	Base Price
■ From first trading day to the day first trade executed	Theoretical price on the day*
■ After next trading day of the day first trade executed	<ul style="list-style-type: none"><li>● Futures: Settlement price on the day*</li><li>● Options: Base price for member margin on the day*</li></ul>

\* Refers to the price(latest price) calculated just before starting night trading session.

#### □ Quotation Price Limits

Price limit range is the maximum range that the price can move in a particular trading session(regular or night session). This price limit range is set by reflecting the price limit rate to the base price.

In night trading, the price limit rate is lower than that in regular trading to mitigate potential volatility, so the maximum price range that can fluctuate is smaller than that in regular trading. In the early stages of KRX night trading, low liquidity may lead to sudden price swings. Therefore, to prevent these fluctuations from causing market shocks the next day, the price limit rate is reduced compared to regular trading.

The price limit rate for equity derivatives is limited to the 1st phase price limit rate(8%) of regular trading, and the price limits for spread trades on equity derivatives is applied at half the level of regular trading. However, considering that there is no price limit range in the bond/FX spot(over-the-counter) market, the same price limit rate as regular trading is applied to FICC derivatives and spread trades thereof in night trading.

[Price Limit Rate in Night Trading]

		Futures		Futures Spreads		Remarks
		Regular	Night	Regular	Night	
■ Equity derivatives (KOSPI 200 Futures/Options, Mini-KOSPI 200 Futures/Options, KOSPI 200 Weekly Options, KOSDAQ 150 Futures/Options)		Phase 1: 8% Phase 2: 15% Phase 3: 20%	8%	5%	2.5%	Lower than regular trading
■ FICC derivatives	USD Futures	4.5%		3.0%		Same as regular trading
	3-Yr KTB Futures	1.5%		1.5%		
	10-Yr KTB Futures	2.7%		2.7%		

### □ Real-time Price Limits

While the price limit range for night trading is reduced, the real-time price limits are doubled compared to regular trading. In other words, the maximum price range(price limit range) that can fluctuate during night trading hours is reduced, but the fluctuation range of a new price compared to the previous price is expanded.

At first glance, the reduction of the price limit rate and the expansion of the real-time price limit may seem to be in conflict with each other. However, liquidity may be low in the early stages of introducing night trading, so if the range of possible bids and offers based on the previous transaction price is excessively restricted, the transaction may not be established. Therefore, KRX intends to expand the range of real-time price limits to facilitate the execution of transactions at reasonable prices.

Real-time price limits are applied to 8 products among the tradable products to night trading, and for some products, they are also applied to the futures spread.

**[Real-time Price Limits for Night Session]**

		Futures and Options		Futures Spreads	
		Regular	Night	Regular	Night
■ Equity futures	KOSPI 200 Futures	1.0%	2.0%	1.0%	2.0%
	Mini-KOSPI 200 Futures				
	KOSDAQ 150 Futures				
	KOSPI 200 Options (including Weekly Options)	Enforce ment Rules: [Annex 25]	Enforce ment Rules: [Annex 25]*×2	–	–
■ FICC derivatives	USD Futures	1.0%	2.0%	1.0%	2.0%
	3-Yr KTB Futures	0.5%	1.0%	0.5%	1.0%
	10-Yr KTB Futures	0.9%	1.8%	0.9%	1.8%

\* Price fluctuation range of options trading specified in 「Annex 25」 of the Enforcement Rules of the Derivatives Market Business Regulations

## E. Quotation Quantity Limit

### □ Quotation Quantity Limit

The quotation quantity limit refers to the maximum quantity that can be specified per quote. The quotation quantity limit for night trading is reduced to half the level of regular trading. This is to minimize the market impact of large-scale quotation submissions. The quotation quantity limit for each product is as follows.

[Quotation Quantity Limit for Night Trading]

		Futures and Options		Futures Spreads	
		Regular	Night	Regular	Night
■ Futures	KOSPI 200 Futures	2,000	1,000	2,000	1,000
	Mini-KOSPI 200 Futures	10,000	5,000	10,000	5,000
	KOSDAQ 150 Futures	1,000	500	1,000	500
	USD Futures	5,000	2,500	10,000	5,000
	3-Yr KTB Futures	1,000	500	5,000	2,500
	10-Yr KTB Futures	1,000	500	2,000	1,000
■ Options	KOSPI 200 Options	2,000	1,000	-	
	Mini-KOSPI 200 Options	10,000	5,000	-	
	KOSPI 200 Weekly Options	2,000	1,000	-	
	KOSDAQ 150 Options	1,000	500	-	

□ Accumulated quotation Quantity Limits

Accumulated quotation quantity limits refer to the maximum cumulative number of unfilled quotations that can be submitted per account. The accumulated quotation quantity limit for night trading is reduced to half the level of regular trading, just like the quotation quantity limit. In addition, the products and accounts to which the accumulated quotation quantity limit applies and the calculation range of the accumulated quotation quantity limit are completely the same as regular trading.

However, the accumulated quotation quantity limit for night trading is calculated separately from that for regular trading. This is because the validity of quotations does not affect each other between regular session and night session.

[Accumulated Quotation Quantity Limit for Night Trading]

		Accumulated Quotation Quantity Limit	
		Regular Trading	Night Trading
■ KOSPI 200 Futures (including futures spreads) KOSPI 200 Options KOSPI 200 Weekly Options	Algorithmic trade account	15,000 each for upward/downward direction	7,500 each for upward/downward direction
	Non-algorithmic trade account	30,000 each for upward/downward direction	15,000 each for upward/downward direction
■ Mini-KOSPI 200 Futures (including futures spreads) Mini-KOSPI 200 Options	Algorithmic trade account	75,000 each for upward/downward direction	37,500 each for upward/downward direction
	Non-algorithmic trade account	150,000 each for upward/downward direction	75,000 each for upward/downward direction

\* Delta used to calculate accumulated quotation quantity limit is the delta at the end of regular trading day on T day

## **F. Trade Execution**

### **□ Trade Execution Method**

Night trading is subject to the same principles of individual auction as regular trading. Therefore, when determining the opening and closing prices or resuming trading, the call auction is applied, and in other cases, the continuous auction is applied.

### **□ Negotiated Block Trading**

Negotiated block trading is processed in the same manner as regular trading, except for the hours for requesting negotiated block trading. Among the products eligible to night trading, those that can be traded in the negotiated block trading method in regular session can be traded in the same way in night session.

### **□ Trade Suspension and Resumption**

In the regular session of the derivatives market, it is possible to suspend or resume trading of the entire market or a specific product in special circumstances. This also applies to trading in night session, but the requirements differ depending on the special nature of night trading.

The suspending trading of derivatives can be divided into compulsory suspension and discretionary suspension.

The compulsory suspension refers to cases where the market can be operated but trading is suspended as needed, and does not apply to night trading. This is because there is no price fluctuation in the stock index during night hours, so circuit breaker(CB) cannot be triggered.

However, if trading in the stock market is terminated due to the activation of CB stage 3 during the regular session, night trading for all derivatives that open on the same day, including FICC derivatives, is not conducted.

The discretionary suspension refers to suspension due to the impossibility of market operation or trading of a specific product, and includes Exchange and member system failures. The discretionary suspension also applies to night trading, with some exceptions.



**[Reasons for Discretionary Suspension in Night Session]**

Reasons		Applicable or not	Remarks
1	When a failure in Exchange and/or member derivatives systems occurs;	○	–
2	When a system failure occurs in the stock market for more than 10 minutes and trading is not possible for a certain number of stock index constituents; * KOSPI 200: 100 stocks, KOSDAQ 150: 75 stocks, KRX 300: 150 stocks	×	Stock index not calculated
3	For the single stock futures and options, when the trading of underlying assets for single stock futures and options is suspended or halted;	×	Not traded in night session
4	For the futures spread trade, when trading of any of 2 futures that make up the trade is suspended or halted;	○	–
5	For the Lean Hog futures, when the trading in a majority of the livestock wholesale markets is suspended;	×	Not traded in night session
6	For the FLEX futures, when the trading of the underlying futures is suspended;	×	
7	For Gold futures, when the trading in the KRX Gold Market is suspended;	×	
8	For ETF futures and options, the trading of underlying ETFs is suspended or halted;	×	
9	When the Exchange deems it difficult to continue normal trading because there occurs an abnormality in the trading circumstance or there is a concern about possible occurrence of such abnormality.	○	–

\* If a product traded in the night session falls under any of cases above, trading of the relevant product may be suspended or halted, and call auction trading is applied when trading resumes.

\*\* In the future, the reasons for discretionary suspension in the night session may be changed due to the listing of new products for night trading.

## □ Correction of Trade Errors

Error trades that are concluded under undesirable conditions are classified into Exchange error trades and member error trades depending on the cause. Even if such errors occur during the night session, they can still be corrected.

Exchange error trades during night trading are handled in the same way as Exchange error trades that occur during regular trading, and there are two correction methods depending on the details of the error.

The first method is that the member takes over the error trades as its proprietary trades. In this case, the member enters into an off-setting transaction at the opening call auction in the regular session on the next trading day, and any profit or loss that may arise is settled with the Exchange later.

The second method is to change the details of the concluded transaction to original contents of transaction. This usually applies when the content of the error is minor and does not affect the profit or loss of the transaction. The detailed correction method according to the content of errors is as follows.

[Correction of Exchange Error Trades in Night Session]

Error Details	Correction Method
■ Contract, quantity, price, bid or ask, quotation type, client's derivatives account number, etc.	Member's taking over of error trades as its proprietary trades
■ Client's trade or proprietary trade, type of investors	Correction according to original content of transaction

The request and correction procedures for member error trades in night session are conducted in the same manner as regular session. However, the request is not possible during night hours and is only possible from the opening of regular trading immediately after the relevant night session. This is because the error trade correction procedure is related to clearing procedure, so the correction can be processed during the daytime when the clearing system is in operation.

## **□ Resolving Large-sized Error Trades by Investors**

Resolution of large-sized error trades by investors is also available in the same way in night trading. If the request for resolution is made during the night trading hours, the Exchange will process the resolution within 30 minutes after the end of following regular session.

However, the resolution requirements are partially adjusted to reflect the characteristics of night trading. For example, the base price applied when calculating the resolution limit for error trades is the closing price of underlying asset of the previous trading day, unlike regular trading which uses the closing price of the previous day's underlying asset.

The specific procedures and methods for the resolution request for error trades are as follows. First, in the event of a large-sized investor

error trades, the member must submit a resolution request to the Exchange within 30 minutes from the execution of error trades. The member send it to the Exchange through the member derivatives terminal and then submits the supporting documents. However, due to the special nature of night trading, unlike regular trading, to submit the resolution request through the member derivatives system is not permitted during night trading.

The Exchange determines whether to accept a resolution request immediately after the start of regular trading on the day, and decides on the resolution within 30 minutes\* after the end of regular trading and notifies the decision to the relevant member.

\* The Exchange may extend the decision on the resolution by one day, considering the contents of the resolution request and supporting documents, other transactions, market conditions, etc.

## **□ Trade Cancellation**

As with regular transactions, if the transaction records of the Exchange derivatives system are destroyed and difficult to restore due to natural disasters, warfare, or disturbance, the trades can be cancelled. In such cases, the trades are considered not to have been established at all.

## G. Others

### ☐ Public Announcement of Market Prices, etc

Night trading also announces information such as stock prices just like regular trading. However, since the underlying asset is not traded during night trading hours, some information (such as delta) is not provided.

### ☐ Market Maker System

Since most products tradable in the night session are highly liquid products with sufficient demand, the market maker system will not be introduced. However, KRX plans to review whether to introduce it after observing the trading trends in the night session.

## 2.3 Clearing and Settlement

### A. Settlement Method

As mentioned earlier, the trading date of night trading is considered the same trading date as the regular trading session that begins after the end of the night trading. Therefore, the night trading that begins today is included in tomorrow's regular trading session and netted for settlement.

**[Settlement Deadlines for Night Trading(night trading that starts on day)]**

Settlement between Members and Investors	Settlement between KRX and Members	Remarks
12:00 on T+2	16:00 on T+2	The night session trades are included in the regular session trades on T+1 day and settled together(same settlement deadline)

For example, trades executed in the night session(trading day: July 23) that begins on Tuesday, July 22, 2025 is settled together with those executed in the regular session on Wednesday, July 23. The settlement deadline is 12:00 on Thursday, July 24 for ‘settlement between members and investors’ and 16:00 on Thursday, July 24 for ‘settlement between KRX and members’.

## **B. Daily Marking-to-Market**

Daily marking-to-market is also conducted by combining the profit and loss of the night trading for each member with the profit and loss of the following regular trading, and then paying and receiving the balance amount between the Exchange and each member.

For example, the profit and loss of the night trading of a member who starts today(T day) will be added to the profit and loss of the regular trading tomorrow(T+1 day) and the Exchange and the member will pay and receive the settlement balance by 16:00 on the day after tomorrow(T+2 day), which is the settlement deadline for the regular trading tomorrow(T+1 day). At this time, the settlement difference is

calculated using the settlement price\* applied to the regular trading tomorrow(T+1 day).

\* Last price of contract or settlement base price(theoretical price, etc.) in the regular session on T+1 day

## **C. Offsetting of Open Interests**

The quantity of open interests of a member in the night session is automatically offset by an equivalent quantity for the open interests, buy-side or sell-side, of the same delivery month contract for each account, regardless of whether they are created in regular trading.

## **D. Member Margin**

With the introduction of night trading, the calculation time and deposit deadline of member margin is changed.

The member margin that was calculated once after the end of regular trading is calculated separately after the end of regular and night trading. For convenience, let's call these to as regular trading member margin and night trading member margin.

**[Change of Member Margin]**

	As-Is (Calculating and depositing once per day)	To-Be (Calculating twice and depositing once per day)	Remarks
Calculated margin	<ul style="list-style-type: none"> <li>■ <math>\Sigma</math> (Net Exposure Member margin + Credit Risk Loss Member Margin) per account</li> <li>* Calculation in the lump (including accounts without night trading)</li> </ul>	Not changed	Same as As-Is
Applied parameters	<ul style="list-style-type: none"> <li>■ Reflect last price in securities and derivatives markets after regular session</li> </ul>	<ul style="list-style-type: none"> <li>■ Same after regular session</li> <li>■ Use parameters of regular session after night session</li> </ul>	Same as As-Is
Calculation time	<ul style="list-style-type: none"> <li>■ After regular trading</li> </ul>	<ul style="list-style-type: none"> <li>■ After regular trading(1st calculation) and after night trading(2nd calculation)</li> </ul>	Calculated twice
Deposit deadline	<ul style="list-style-type: none"> <li>■ 12:00 on T+1</li> </ul>	<ul style="list-style-type: none"> <li>■ 11:00 on T+1</li> </ul>	Shortened by an hour
Deposit amount	<ul style="list-style-type: none"> <li>■ Member margin calculated at the end of regular session(a)</li> </ul>	<ul style="list-style-type: none"> <li>■ Member margin calculated at the end of regular session or night session(b)</li> </ul>	(a) or (b)* * Depends on meeting requirements

The night trading member margin is calculated by adjusting the required member margin to reflect the open interest quantity changed during the night trading hours. This is compared to the regular trading member margin calculated after the close of the previous regular trading session. If there is a significant increase in risk, the night trading member margin is applied, otherwise, the regular trading member margin is applied.



The significant increase in risk at this time is judged based on two criteria. One is whether the increase rate of the night trading member margin compared to the regular trading member margin reaches the threshold of 120%, and the other is whether the increased amount in the member margin is KRW 50 billion or more. If only one of the two criteria is met, it is considered a significant increase in risk and the night trading member margin is imposed on the member.

This can be summarized briefly in the table below:

[Threshold and Amount Criterion on Member Margin Increase]

		Amount Criterion	
		Less than KRW 50 billion	KRW 50 billion or more
Threshold	120% or more	Night trading member margin is applied	
	Less than 120%	Regular trading member margin is applied	

Please see the table below for examples with specific figures.

[Cases of Calculating Member Margin Deposit]

	① Regular Trading Member Margin	② Night Trading Member Margin	Deposit Amount
Case I (② < ① × 1.2)	KRW 10 billion	KRW 11 billion	KRW 10 billion
Case II (② ≥ ① × 1.2)	KRW 10 billion	KRW 13 billion	KRW 13 billion
Case III (② < ① × 1.2, but KRW 50 billion or more)	KRW 1.0 trillion	KRW 1.1 trillion	KRW 1.1 trillion

Consider a scenario where the regular trading member margin is KRW 10 billion. In this case, if the night trading member margin is less than KRW 12 billion(Case I), the regular trading member margin must be deposited. Conversely, if the night trading margin is KRW 12 billion or more(Case II), the night trading member margin must be deposited. Furthermore, if the regular trading member margin is very large, the member margin increase amount may surpass KRW 50 billion even if the margin increase rate is below the threshold. In this instance(Case III), the night trading member margin is applied.

This is because the margin serves as collateral against potential defaults. Given that members with high risk are subject to a higher regular trading member margin, they could be charged a greater night trading member margin even though their margin increase rate due to night trading is below the threshold.

## **E. Member Margin Deposit Deadline**

In line with the launching of night trading, the deadline for depositing member margin is moved forward from 12:00 to 11:00 on the next trading day.

If the risk significantly increases after the end of night trading, the newly calculated night trading member margin must be deposited by 11:00, and if the night trading member margin criteria are not met, the regular trading member margin calculated on the previous day must be deposited by 11:00. In particular, in the case where the night

trading member margin is applied, the time from the end of night trading to the member margin deposit deadline may be short, so members are advised to be careful.

## **2.4 Entrustment of Trades**

※ The contents of this chapter, including the derivatives service agreement and the derivatives risk warning statement, are under the jurisdiction of the Korea Financial Investment Association, and KRX is currently in consultation with the Korea Financial Investment Association as of April 25. Therefore, please note that the contents related to the revision of the derivatives service agreement, etc. are under review.

### **A. Opening of Derivatives Accounts and Delivery of Service Agreement**

#### **□ Basic Principles**

Members can receive night trading quotations from investors through the same derivatives account as regular trading. In other words, from the investor's perspective, it is possible to participate in both regular trading and night trading with a single account.

In quotation to participate in night trading of derivatives, investors who do not have a derivatives account must enter into an agreement to open a derivatives account with a member. At this time, the member must provide the investor with the derivatives service agreement and the derivatives risk warning statement, explain them,

and obtain consent and acknowledgement of receipt. The derivatives service agreement and the derivatives risk warning statement provided must be the revised version in accordance with the introduction of night trading.

Please note that even if they are not new investors but investors who already have derivatives accounts, they must go through procedures such as approval of a change in derivatives service agreement and re-issuance of derivatives risk warning statement in quotation to participate in night trading.

## **□ Foreigner's Consolidated Accounts**

Foreigner's consolidated accounts can also be used in night trading under the same system as regular trading. However, please be careful as there are differences in the application period, etc. due to characteristics of night trading.

### **○ Opening or Changing of Accounts**

If a member wishes to receive quotations through a foreigner's consolidated account starting from the night trading that begins on the evening of T day, the member must complete the relevant report within 30 minutes from the end of the regular session on T day(15:45~16:15 on T day). For example, in quotation to use a foreigner's consolidated account in the night trading that begins on Monday, March 10, 2025, the member must complete the report by 16:15 on Monday, March 10, 2025.

### ○ Post-allocation of Open Interests

Post-allocation of open interests refers to the act of transferring open interests from the allocating end-investor to the sub-end-investor within the foreigner's consolidated account.

The post-allocation of night trading that begins in the evening of T day must be reported within 30 minutes(15:45~16:15) after the close of regular trading on T+1 day or T+2 day. Most are reported within T+2 day, but if, among the night trading of T day, there are contracts whose last trading day arrives on T+1 day, the report for such contracts must be made within 30 minutes after the close of regular trading on T+1 day.

Other matters related to the transfer of open interests of foreigner's consolidated accounts are operated through the same transfer process as regular trading that opens after the end of night trading.

[Transfer of Open Interests in Foreigner's Consolidated Account]

Transfer Method		Application Time
Transfer within member	<ul style="list-style-type: none"> <li>■ Management of post-allocation of foreigner's consolidated accounts * Sub-end-investor → Other sub-end-investor(Same allocating end-investor)</li> </ul>	During regular session
	<ul style="list-style-type: none"> <li>■ Inclusion into foreigner's consolidated account * Derivatives account → End-investor of combined account</li> </ul>	15:45~16:15
	<ul style="list-style-type: none"> <li>■ Change of end-investor's foreigner's consolidated account * General end-investor of combined account → General end-investor of other combined account(Member who have opened combined accounts are the same members)</li> </ul>	15:45~16:15
Transfer between members	<ul style="list-style-type: none"> <li>■ Transfer between foreigner's consolidated accounts * Combined account → Combined account(Members who have opened combined accounts are different members)</li> </ul>	15:45~16:15

**□ Adjustment of Service Agreement(A matter under KOFIA's responsibility)**

As KRX introduces its own derivatives night trading, all existing overseas-linked trading will be discontinued. Accordingly, KRX is in the process of revising service agreement through consultation with KOFIA. The global trading-related provisions that were applied to CME-linked trading in the existing service agreement will be deleted, and regulatory matters, etc. for its own night trading will be reflected.

**□ Supplement to Risk Warning Statement(A matter under KOFIA's responsibility)**

There are many potential risk factors in night trading.

First, liquidity may be lower than in regular trading hours at the initial state of night trading. As a result, there is a possibility that transactions may not be concluded smoothly or may be concluded at prices that investors do not want.

In addition, if there is a delay in preparing for night trading after the end of regular trading, there may be market measures such as changing the opening time of night trading at the discretion of KRX.

In addition, since trading of underlying assets is not conducted at night, there is also the aspect that the providing of investment reference indicators such as theoretical prices is limited.

Thus, there are various unique risk factors associated with night trading, which differ from those in regular trading. Therefore, it is required to establish a procedure wherein a customer clearly acknowledges these risk factors and provides informed consent to participate in night trading by incorporating such factors in the risk warning statement.

## **B. Refusal to Accept Customer's quotation**

KRX has separately defined requirements for members to refuse to accept quotations from customers. These requirements apply to night trading as well as regular trading.

## **C. Basic Deposit**

Currently, in regular trading, a basic deposit is charged to customers who open a derivatives account and place an quotation for the first time or who dispose of open interests through an existing derivatives account and place an quotation after the settlement deadline has passed.

In night trading, just like regular trading, members must check whether a customer has deposited the basic deposit. Rather than imposing an additional basic deposit, the member is required to check the customer's basic deposit in night trading.

For example, even if a customer is participating in night trading for the first time, if he or she has already deposited the basic deposit in

regular trading and has open interests, the customer does not have to pay the basic deposit additionally. On the other hand, if a customer without open interests makes a new transaction, the member must check whether the customer has paid the basic deposit regardless of whether it is a regular trading or a night trading.

The amount and forms of the basic deposit are as follows.

**[Deposit of Basic Deposit]**

(Article 127 of Derivatives Market Business Regulation and Article 122 of the Enforcement Rules thereof)

	Details
Deposit amount	① For futures and options trades: KRW 10 million or more ② For all derivatives trades: KRW 20 million or more
Forms of deposit	Cash, substitute securities, foreign currency, foreign securities

Members must set the basic deposit application standards for night trading in the same manner as for regular trading, and when establishing or revising the standards, they must announce this in advance and notify the exchange within 7 business days from the date of application.

**D. Upfront Initial Customer Margin**

The upfront initial customer margin for night trading is subject to the same requirements as for regular trading. Before receiving an quotation for night trading, members must receive a deposit of at least the upfront initial customer margin amount from the customer\*



for each derivatives account. In other words, members must check whether the upfront initial customer margin requirement is met each time they receive a new quotation, except for quotations for offsetting trades.

\* Refers to customers who are not qualified institutional investors but who are subject to upfront initial customer margin.

The calculation target and method for upfront initial customer margin for night trading are also the same as for regular trading. The parameters used are the latest price parameters at the end of regular trading on day T.

## **E. Ex-post Customer Margin**

Ex-post customer margin is calculated after regular session and is not separately calculated after night session. In other words, the current system remains unchanged. Members shall collect ex-post customer margin for each derivatives account of customers by the time of the day or the time before 10:00 hours of the next trading day set by the member.

The calculation method for ex-post customer margin is also the same as before in that it uses the open interests and the latest price parameters at the end of regular trading on day T.

In addition, a member must set and manage the risk exposure limit of a customer during night trading as in regular trading. If the amount of risk exposure of the customer is likely to exceed the limit or exceeds it, the member must immediately notify the customer and reject the quotation from the customer.

And, as with the current practice, if a shortfall occurs in the ex-post customer margin but the investor fails to deposit the additional amount by the deposit deadline(10:00 AM on the next trading day), the member must refuse to accept quotations from that investor after the deposit deadline.

In addition, the member must establish the guidelines for risk management of qualified institutional investors by considering the risk management and settlement fulfillment capability of the customer during the night session. If there is an establishment or revision of the standards, the member must notify the Exchange within 7 business days from the date of application.

## **F. Payment and Appropriation of Customer Margin**

Unlike current linked night trading through CME or Eurex, where members are unable to disburse the total deposit amount and cash deposit to customer during night session, KRX intends to implement a system that allows members to pay the total deposit amount and cash deposit to customers during its night session as well as during the regular session.

## **G. Additional Deposit of Customer Margin**

Currently, if the total deposit amount, etc.\* for a customer who is not a qualified institutional investor is less than the maintenance deposit margin amount, or the cash deposit, etc.\* is less than the maintenance

cash deposit requirement after the regular trading session ends, the member receives an additional deposit of an amount greater than the ex-post customer margin amount by 12:00 on the next trading day. This system will remain the same even after the introduction of night trading.

\* Total deposit amount(cash deposit) + Sales proceeds of substitute securities before settlement deadline

As with current procedures, members are required to reject customer quotations for accounts requiring additional deposits from the time the additional deposit is required until the deposit is completed. Since the adequacy of an account's maintenance customer margin is calculated and determined after the end of regular trading, please be aware that quotations from accounts with insufficient margin deposits is rejected throughout the night session that begins on that day.

Furthermore, maintenance customer margin is not calculated separately after the end of night trading, and the intraday customer margin call system\* is not applied during night trading.

\* It means an additional deposit of customer margins during trading session noted in Article 137-2 of the Derivatives Market Business Regulation.

## **H. Measures against Non-deposit of Additional Customer Margin**

If a customer defaults on the additional deposit of customer margin or fails to deposit ex-post customer margin, the member may, with the care of a prudent manager, conduct trade that cancels out the open interests of each bid and offer per contract or sell the assets deposited as customer margins. If a shortfall occurs after the offset

transaction or disposal of the asset deposited, the member may demand payment of the shortfall from the customer.

KRX has solicited opinions from members regarding offsetting transactions during the night session. Many members expressed concerns about the difficulty of properly executing offsetting transactions during night trading, where liquidity is expected to be insufficient. Additionally, some members noted that offsetting transactions are not implemented in the current Eurex-linked night trading and raised concerns about potential market price distortions due to offsetting transaction quotations in low-liquidity conditions.

In consideration of the prevalent reluctance among members to engage in night-time offsetting transactions, KRX will stipulate that offset transactions that are initiated when additional deposits of customer margin are not made must be executed only during the regular session, not during night trading hours, while members are fulfilling their duties as good managers.

## **2.5 Other Market Management**

### **A. Application of Substitute Price, etc.**

KRX plans to operate the substitute price of substitute securities, foreign currencies, and foreign securities in the night trading to reflect the latest price within the applicable scope.

## **B. Open Interest Position Limits**

Among the products subject to night trading, KOSPI 200 products and KOSDAQ 150 products are subject to open interest position limits. No separate position limit is set for night trading, and the night session open interests of the relevant products are combined with the regular session open interests and managed within the existing position limit. For institutional investors, a position limit of 20,000 contracts is applied for each KOSPI 200 product and KOSDAQ 150 product, and for individual investors, a smaller position limit of 10,000 contracts is applied.

Since intraday and end-of-market deltas are not transmitted separately in night session, members prevent and manage whether investors violate position limits by calculating the quantity of positions in real time using the delta at the end of the previous regular session.

If the investor's position limits are exceeded at the close of regular trading on a weekday, the member must refuse to accept quotations that increase open interests in the night trading that opens on the same day. However, if the position limit is exceeded due to arbitrage and hedge transactions during regular session and the relevant quantity is to be reported to the KRX, the member may accept quotations during night trading at its own risk.

If the position limit of a delivery month contract whose last trading day is the next trading day is exceeded at the close of regular trading on the day before the last trading day, the member must refuse to accept quotations that increase open interests in the relevant delivery month contract during night trading without exception, including arbitrage and hedge transactions.

### **C. Restriction on Receipt of Excessive Quotations**

The restriction on receiving excessive quotations is subject to the same criteria as regular transactions.

### **D. Charge for Excessive Quotations**

KRX calculates and imposes charges for excessive quotations during night trading separately from regular trading. In other words, the decision to impose charges for excessive quotations and the calculation of the charge amount for night trading are conducted independently of regular trading. Nonetheless, the target products, calculation units, and charging criteria are the same as in regular trading.

**[Requirements for Imposing Charge for Excessive Quotations]**

	Details
<b>Target Products</b>	① KOSPI 200 Futures(including futures spread trades), KOSPI 200 Options ② Mini-KOSPI 200 Futures(including futures spread trades), Mini-KOSPI 200 Options
<b>Calculation Unit</b>	① For each derivative account ② For each high-speed algorithmic trade number
<b>Criteria (① or ②)</b>	① Where the total number of quotations is 200,000(500,000 for Mini-KOSPI 200 Futures and Mini-KOSPI 200 Options) or higher and the value obtained by dividing the total number of quotations by total number of concluded contracts is 15 or higher; or ② Where the number of applications for mass quotation cancellation is 50 or higher.

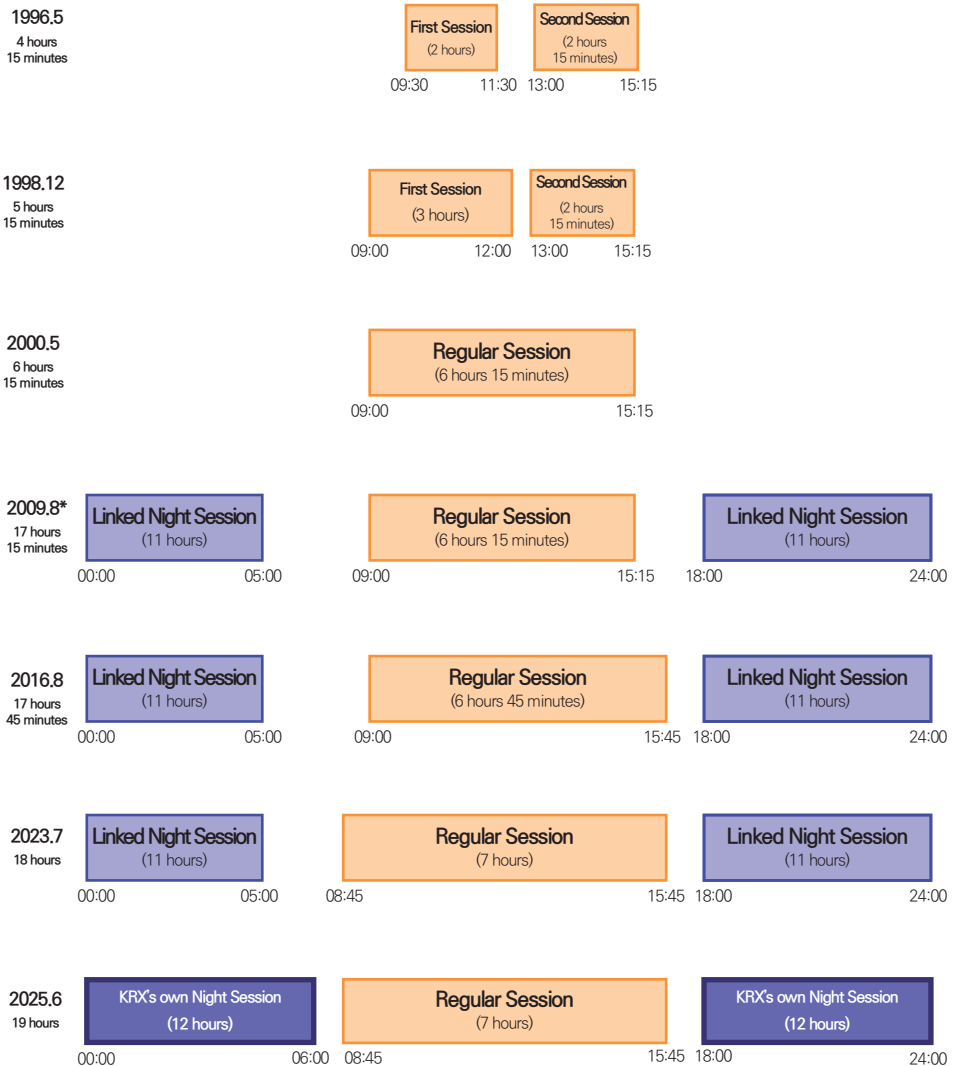
## E. Management of Algorithmic Trading

KRX applies the same management system for algorithmic trading during night trading as for regular trading. Investors can use the algorithmic trading account and high-speed algorithmic trader ID of regular trading for trading in night session. KRX will provide a Kill Switch function that can cancel all unfilled quotations for reported algorithmic trading accounts upon member request, and provides risk management tools such as mass quotation cancellation(MOC) and self-matching prevention(SMP) for registered high-speed algorithmic traders.

# Chapter 03

## Appendix

### 3.1 Historical Changes in KRX Derivatives Market Trading Hours



\* (CME-linked trading) August 2009~April 2020 / (Eurex-linked trading) August 2010~June 2025



## 3.2 List of Products tradable for Night Session

### ① KOSPI 200 Futures

<b>Underlying Asset</b>	KOSPI 200 Index
<b>Contract Size</b>	KOSPI 200 Futures price times KRW 250,000
<b>Delivery Months</b>	Quarterly months(March, June, September, December)
<b>Listed Contracts</b>	Four quarterly months + Two half-yearly months + One yearly month
<b>Tick Size &amp; Value</b>	0.05 point(KRW 12,500)
<b>Last Trading Day</b>	Second Thursday of the contract month (In case of market holiday, brought forward)
<b>Final Settlement Day</b>	The following day of the last trading day
<b>Final Settlement Cash</b>	Cash

### ② Mini KOSPI 200 Futures

<b>Underlying Asset</b>	KOSPI 200 Index
<b>Contract Size</b>	Mini KOSPI 200 futures price times KRW 50,000
<b>Delivery Months</b>	Every month
<b>Listed Contracts</b>	Six consecutive months
<b>Tick Size &amp; Value</b>	0.02 point (KRW 1,000)
<b>Last Trading Day</b>	Second Thursday of the contract month (In case of market holiday, brought forward)
<b>Final Settlement Day</b>	The following day of the last trading day
<b>Final Settlement</b>	Cash

### ③ KOSDAQ 150 Futures

<b>Underlying Asset</b>	KOSDAQ 150 Index
<b>Contract Size</b>	KOSDAQ150 futures price times KRW 10,000
<b>Delivery Months</b>	Quarterly months(March, June, September, December)
<b>Listed Contracts</b>	Four quarterly months + Two half-yearly months + One yearly month
<b>Tick Size &amp; Value</b>	0.1 point (KRW 1,000)
<b>Last Trading Day</b>	Second Thursday of the contract month (In case of market holiday, brought forward)
<b>Final Settlement Day</b>	The following day of the last trading day
<b>Final Settlement</b>	Cash

### ④ KOSPI 200 Options

<b>Underlying Asset</b>	KOSPI 200 Index
<b>Contract Size</b>	KOSPI 200 Options price times KRW 250,000
<b>Delivery Months</b>	Every month
<b>Listed Contracts</b>	Six consecutive months + two quarterly months + two half-yearly months + one yearly month
<b>Tick Size &amp; Value</b>	0.01 point (KRW 2,500) for less than 10 point of premium 0.05 point (KRW 12,500) for 10 point or more of premium
<b>Last Trading Day</b>	Second Thursday of the contract month (In case of market holiday, brought forward)
<b>Final Settlement Day</b>	The following day of the last trading day
<b>Final Settlement</b>	Cash

## ⑤ KOSPI 200 Weekly Options

<b>Underlying Asset</b>	KOSPI 200 Index
<b>Contract Size</b>	KOSPI 200 Options price times KRW 250,000
<b>Delivery Weeks</b>	Every week
<b>Listed Contracts</b>	Two contracts per week, listed on Mondays and Thursdays that expire the following Monday and Thursday, respectively. * Weekly options with expiry coinciding with the expiry of monthly options(the 2nd Thursdsay) are not listed.
<b>Tick Size &amp; Value</b>	0.01 point (KRW 2,500) for less than 10 point of premium 0.05 point (KRW 12,500) for 10 point or more of premium
<b>Last Trading Day</b>	Mon Weekly : Every Monday (in case of market holiday, pushed back) Thur Weekly: Every Thursday, excluding the 2nd Thursday (In case of market holiday, brought forward)
<b>Final Settlement Day</b>	The following day of the last trading day
<b>Final Settlement</b>	Cash

## ⑥ Mini KOSPI 200 Options

<b>Underlying Asset</b>	KOSPI 200 Index
<b>Contract Size</b>	Mini KOSPI 200 Options price times KRW 50,000
<b>Delivery Weeks</b>	Every month
<b>Listed Contracts</b>	Six consecutive months
<b>Tick Size &amp; Value</b>	0.01 point (KRW 500) for less than 3 point of premium 0.02 point (KRW 1,000) for 3 point or more – less than 10 point of premium 0.05 point (KRW 2,500) for 10 point or more of premium
<b>Last Trading Day</b>	Second Thursday of the contract month (In case of market holiday, brought forward)
<b>Final Settlement Day</b>	The following day of the last trading day
<b>Final Settlement</b>	Cash

### ⑦ KOSDAQ 150 Options

<b>Underlying Asset</b>	KOSDAQ 150 Index
<b>Contract Size</b>	KOSDAQ 150 Options price times KRW 10,000
<b>Delivery Weeks</b>	Every month
<b>Listed Contracts</b>	Three consecutive months + three quarterly months
<b>Tick Size &amp; Value</b>	0.1 point(KRW 1,000) for less than 50 point of premium 0.5 point(KRW 5,000) for 50 point or more of premium
<b>Last Trading Day</b>	Second Thursday of the contract month (In case of market holiday, brought forward)
<b>Final Settlement Day</b>	The following day of the last trading day
<b>Final Settlement</b>	Cash

### ⑧ 3-Year KTB Futures

<b>Underlying Asset</b>	3-Year Korea Treasury Bond with 5% coupon rate and semiannual coupon payment
<b>Contract Size</b>	KRW 100 million
<b>Delivery Weeks</b>	Quarterly months(March, June, September, December)
<b>Listed Contracts</b>	Two quarterly months
<b>Tick Size &amp; Value</b>	0.01 point (KRW 10,000)
<b>Last Trading Day</b>	Third Tuesday of the contract month (In case of market holiday, brought forward)
<b>Final Settlement Day</b>	The following day of the last trading day
<b>Final Settlement</b>	Cash

### ⑨ 10-Year KTB Futures

<b>Underlying Asset</b>	10-Year Korea Treasury Bond with 5% coupon rate and semiannual coupon payment
<b>Contract Size</b>	KRW 100 million
<b>Delivery Weeks</b>	Quarterly months(March, June, September, December)
<b>Listed Contracts</b>	Two quarterly months
<b>Tick Size &amp; Value</b>	0.01 point (KRW 10,000)
<b>Last Trading Day</b>	Third Tuesday of the contract month (In case of market holiday, brought forward)
<b>Final Settlement Day</b>	The following day of the last trading day
<b>Final Settlement</b>	Cash

### ⑩ US Dollar Futures

<b>Underlying Asset</b>	US Dollar
<b>Contract Size</b>	USD 10,000
<b>Delivery Weeks</b>	Every month
<b>Listed Contracts</b>	Twelve consecutive months + eight quarterly months
<b>Tick Size &amp; Value</b>	0.1(KRX 1,000)
<b>Last Trading Day</b>	Third Monday of the contract month (In case of market holiday, brought forward)
<b>Final Settlement Day</b>	Second day following the last trading day
<b>Final Settlement</b>	Physical Delivery



| COPYRIGHTS © 2025.KRX.All rights Reserved. | [www.krx.co.kr](http://www.krx.co.kr) |