

November 6, 2023

FMDQ/RRG/061123/MB-46

To: ALL DEALING MEMBER (BANKS)

From: RULES & REGULATION GROUP

## **NOTIFICATION OF THE TEMPORARY SUSPENSION OF ELIGIBLE UNDERLYING TRANSACTION SUBSTITUTION**

1. In accordance with section 9.1(xiii)<sup>1</sup> of the Operational Standards for the Cleared Naira-Settled Non-Deliverable Forwards ("**Cleared USD/NGN NDFs**") Market (*the erstwhile OTC FX Futures Market Operational Standards*) (the "**Standards**"), this Market Bulletin seeks to notify all Dealing Member (Banks) ("**DMBs**") of FMDQ Securities Exchange Limited ("**FMDQ Exchange**" or the "**Exchange**") of a temporary suspension of the substitution of Eligible Underlying Transactions ("**EUT**") for Cleared USD/NGN NDFs positions in the market.
2. The temporary suspension of EUTs' substitution has become pertinent to enable the Exchange undertake a comprehensive validation of the application of the above-referenced section in the Cleared USD/NGN NDFs Market.
3. Consequently, the Exchange hereby notifies all DMBs of the temporary suspension of section 3.2 of the Standards, as well as the associated provisions<sup>2</sup> relating to EUT substitution in [MB-24](#) until further notice. As a result, FMDQ Clear Limited shall not process any request for the substitution of EUTs until otherwise advised.
4. Kindly take note and be guided accordingly.

---

<sup>1</sup> DMBs shall comply with such other rules, guidelines, standards and regulations as the Exchange may prescribe from time to time.

<sup>2</sup> Substitution of the Eligible Underlying Transaction ("EUT") of an OTC FX Futures contract with another EUT