

19 December 2017

NZX to extend dairy derivatives trading hours

NZX will extend the trading hours of its dairy derivatives market in July 2018, subject to regulatory approval.

This extension supports the New Zealand exchange's strategy to improve global access to its dairy derivatives market in response to customer demand.

The trading session will move the existing market close of 4.00pm New Zealand time to a market close of 10.00pm New Zealand time, extending the session to 20 hours from 14 hours currently. Opening times will remain unchanged.

The extended market hours will facilitate easier trading between Europe and Asia, two key dairy trading regions. European traders will now have the ability to place orders and execute trades at the beginning of their trading day, and the Asian trading session will be extended into their afternoon.

NZX Head of Derivatives Nick Morris commented: "NZX has had strong demand from customers in Europe and Asia to extend opening hours into their trading day. This extension will also enable key dairy buying regions, such as the Middle East and Africa, greater access to NZX's dairy derivatives market and support New Zealand's position as a global leader in this industry."

"We expect to see an increase in participation and volume traded on NZX's dairy derivatives market as a result of the new closing time."

NZX will engage with participants, clearers, and independent software vendors and data vendors in early 2018 on the closing changes. Further information, including the confirmed effective date, will be released to the market in due course.

Please see link below for more details on the extended trading hours across affected time zones:

<https://www.nzx.com/markets/nzx-dairy-derivatives/access-the-market>

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