

Futures Trading (Foreign Exchange Trading and Leveraged Foreign Exchange Trading) (Modification of Definition) Order 2000

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No. S 407

FUTURES TRADING ACT (CHAPTER 116)

FUTURES TRADING (FOREIGN EXCHANGE TRADING AND LEVERAGED FOREIGN EXCHANGE TRADING) (MODIFICATION OF DEFINITION) ORDER 2000

In exercise of the powers conferred by section 2A(3) of the Futures Trading Act, the Monetary Authority of Singapore hereby makes the following Order:

Citation and commencement

1. This Order may be cited as the Futures Trading (Foreign Exchange Trading and Leveraged Foreign Exchange Trading) (Modification of Definition) Order 2000 and shall come into operation on 18th September 2000.

Definition

2. In this Order, “currency index” includes a group or groups of currency indices.

Modification of definition of “foreign exchange trading”

3. The definition of “foreign exchange trading” in section 2A(1) of the Act is modified to apply to trading in any currency index and shall be substituted with the following definition:

“foreign exchange trading” means the act of entering into or offering to enter into, or inducing or attempting to induce a person to enter into or offer to enter into, a contract or an arrangement whereby —

- (a) a person undertakes to exchange currency at an agreed rate of exchange with another person whether the currency exchange is effected at the same time or at a future date and whether by way of delivery of an amount of currency for another currency, by way of crediting the account of the other person with an amount of another currency, by way of settlement or set-off between 2 or more persons or otherwise; or
- (b) a person undertakes to settle in any manner with another person the difference between the value of any currency index at the time of the making of the contract or arrangement and at a specified future time.

Modification of definition of “leveraged foreign exchange trading”

4. The definition of “leveraged foreign exchange trading” in section 2A(1) of the Act is modified to apply to trading in any currency index and shall be substituted with the following definition:

“leveraged foreign exchange trading” means —

- (a) the act of entering into or offering to enter into, or inducing or attempting to induce a person to enter into or offer to enter into, a contract or an arrangement on a margin basis (other than a contract or an arrangement that is made on a Futures Exchange or a futures market) whereby —
 - (i) a person undertakes as determined by the terms and conditions of the contract or arrangement —
 - (A) to make an adjustment between himself and another person according to whether a currency is worth more or less, as the case may be, in relation to