Saudi Exchange

Your Guide to MT30 Index Futures and Single Stock Futures (SSFs)

MT30 Index Futures

- A futures contract based on the MT30 Index, which tracks 30 of the largest and most liquid companies on the Saudi Exchange.
- Allows investors to take a view on the broader Saudi market to gain exposure, hedge risk, or trade movements in the overall index.

Single Stock Futures (SSFs)

- Futures contracts based on the share price of individual companies.
- Currently available on ten of the most active and prominent Saudi stocks:

Feature	MT30 Futures	Single Stock Futures
Underlying	MT30 Index	Individual stock (e.g. Aramco)
Contract Size	Index value × ⃁ 100	100 shares
Margin	(Derivatives margin calculator link)	
Expiry	Current month, next month and the next two quarters	
Clearing House	Muqassa	
Currency	⃁	

Why Trade Derivatives?

Derivatives are a key tool for the entire trading community, They allow you to:

- Manage portfolio risk and hedge exposures in the Saudi equity market, whilst reducing counterparty risk via one Central Clearing House.
- A cost efficient and transparent Exchange traded product to express market view.
- Access leverage by posting a fraction of the contract's notional value as margin, instead of funding 100% of the position as required in the cash equity market.
- Alleviate balance sheet utilization as listed derivatives is an off-balance sheet product.
- Implement portfolio strategies via relative value positioning, such as inter-market spreads. Embedded characteristics of derivatives allow for long or short positions, whilst removing the need to borrow to sell short.
- Caters for both institutional and retail participation, due to product standardization.

They are especially useful for all types of traders including:

- Asset managers managing volatility or downside risk
- Trading desks looking for efficient market exposure
- Family offices and institutions (e.g Treasuries) with Saudi equity holdings
- Proprietary trading firms
- Retail Traders

Recent Enhancements

The Saudi derivatives market has been rebuilt to support enhanced participation. Key improvements include:

- Trading and clearing fees fully waived for the first year
- Reduced Trading and Clearing fees (following first year waiver)
- Increased Tick sizes of Single Stock Futures
- Obligated market makers quoting throughout the trading session to provide consistent liquidity
- Revised margin model, including cross-margining between MT30 and SSFs

How It Works: Step-by-Step Guide to Trading

01 Open a brokerage account

- You must have an account with a Saudi Exchange Derivatives Member that offers the product you want to trade.

02 Choose your contract

- Decide if you want to go long (expect price to rise) or short (expect price to fall) on the index or single stock(s).

03 Place your trade

- Trades are matched automatically and anonymously on the exchange. Prices reflect market expectations and market maker quotes.
- Initial Margin will be required by Muqassa to cover your exposure.
- Your broker might request additional margins based on your risk profile.

04 Manage position

- Positions are marked to market daily. Gains or losses are settled with your broker each day.
- Deposit margins when requested by your broker depending on your exposure and risk.

05 Close or hold to expiry

- You can close the position anytime on the Exchange before last trading date or hold until expiry, where it settles in cash based on final price.