

December 03, 2024
168/2024-PRE

CIRCULAR LETTER

Listed B3 Participants

Re.: **Changes to B3's Trading Procedures Manual – Various – Trading**

We hereby inform you that on **December 9, 2024** a new version of B3's Trading Procedures Manual (Manual) will come into effect, with changes that consist of:

- (i) enabling the auction of assets that have not been traded for more than four months
- (ii) including the new product conilon robusta coffee, as set forth in Circular Letter 128/2024-PRE, dated October 1, 2024
- (iii) making the maximum tenor more flexible for requesting the creation of option series for same-day trading or as of the day following the request for the creation of series
- (iv) making the maximum tenor more flexible for the creation of new option series for trading as of the day after the request for creation
- (v) updating the message control methodology subsection and giving information details

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- (vi) excluding mention of “spot gold” and correcting the currency considered in the minimum interval for ethanol in the table “Parameters for creating option series on agricultural futures”

The above changes are detailed in the Annex hereto.

The new version of the Manual will be available as of **December 9, 2024**, at www.b3.com.br/en_us/, Regulation, Regulatory framework, Regulations and manuals, Trading, Access the documents.

Further information can be obtained from B3 Services – Trading Support or Trading Services, by telephone on +55 11 2565-5021/5022 or by email at tradingsupport@b3.com.br and trading@b3.com.br.

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Annex to CIRCULAR LETTER 168/2024-PRE

Description of the Changes to B3's Trading Procedures Manual

TITLE II – TRADING ENVIRONMENT

CHAPTER III – TRADING

6. SPECIAL TRADING PROCEDURES – AUCTIONS

Section 6.2. Auction types

Subsection 6.2.1. Ordinary auctions

Subsection 6.2.1.4. Specific reasons for holding an auction

We have made it possible for assets that have not traded for more than four months to be auctioned, considering that at present the limits assigned to these illiquid assets in the LiNe pre-trade risk tool are wiped.

The limits are currently wiped so that, prior to order entry with these assets, B3 can run a check on the existence of positions in the name of the investor that entered the sell order.

This means that the participant that wants to register orders for these assets must contact B3 and request that the limit be assigned in LiNe. As these assets are considered illiquid, the order does not usually result in a transaction and on the following day the limits are wiped again. To register a new order, participants have to contact B3 again and the procedure is repeated.

By including these assets in the non-continuous trading list, the limits cease to be wiped at LiNe, as the pre-auction position check has already been established in the noncontinuous trading process, eliminating the need to execute the abovementioned procedure.

7. TRADING TUNNELS

Section 7.2. Methodology for calculating trading tunnels for markets in options on derivatives and indices, futures, forwards and solutions for block trades

Subsection 7.2.1. Derivatives auction and rejection tunnel methodology

Subsection 7.2.1.3. Cash-settled live cattle futures (BGI), 4/5 Arabica coffee futures (ICF), conilon robusta coffee futures (CNL), cash-settled hydrous ethanol futures (ETH), cash-settled corn futures (CCM), cash-settled soybean futures referenced in CME Group mini-sized soybean futures (SJC), FRA on DI x US Dollar spread (FRC), and FRA on one-day repurchase agreements x US Dollar spread (FRO)

Subsection heading complemented to include the new conilon robusta coffee product.

Section 7.3. Rejection tunnels

Subsection 7.3.1. Type 1 rejection tunnel (based on closing price, reference price or settlement price)

Inclusion of the new conilon robusta coffee product, due to its launch.

CHAPTER IV – TECHNOLOGICAL RISK CONTROL

2. MESSAGING CONTROL

Section 2.1. Trading messages control

Subsection 2.1.1. Messaging control methodology

- Improved description of the monthly charge process for excess messages sent to the trading platform
- Correction to the description of variable "C", substituting the term "derivatives" for "options", bearing in mind that the reduction factor only applies to options
- Exclusion of the remaining reference to "spot gold" in the "Group of assets or derivatives" table, as spot gold trading has been discontinued.

TITLE III – ORGANIZED MARKETS

CHAPTER I – EXCHANGE MARKET

3. DERIVATIVES MARKET

Section 3.2. Options market

Subsection 3.2.1. Call and put options on equities, BDRs, equity ETFs, international ETFs, on indices

Naming standardized in the description of the index tickers to match the rest of the assets.

Section 3.3. Instrument registration

Subsection 3.3.2. Automatic series registration

Subsection 3.3.2.1. Registration of option series by participant request for trading on next day

Changes have been made to designate that the maximum tenors in requests for the creation of option series expiring in the same week, as well as the maximum tenors for the creation of new option series, as set forth in this subsection, will henceforth be published on the B3 website, promoting greater versatility in updating these tenors when required.

Subsection 3.3.2.2. Registration of option series by participant request for trading on same day

Exclusions aiming at promoting greater flexibility in relation to the maximum tenors for the creation of new option series, seeking to meet demand from the participants.

Subsection 3.3.7. Registration of option series on cash-settled live cattle futures (BGI), 4/5 Arabica coffee futures (ICF), conilon robusta coffee futures (CNL), cash-settled hydrous fuel ethanol futures (ETH), cash-settled corn futures (CCM) and cash-settled FOB Santos (Platts) soybean futures (SOY)

Inclusion of the new conilon robusta coffee product, due to its launch, in the title of this subsection and in the "Parameters for creating option series on agricultural futures" table.

Correction of the currency in the minimum interval for ethanol in the "Parameters for creating option series on agricultural futures" table, substituting U.S. Dollar (USD) for Brazilian Real (BRL).