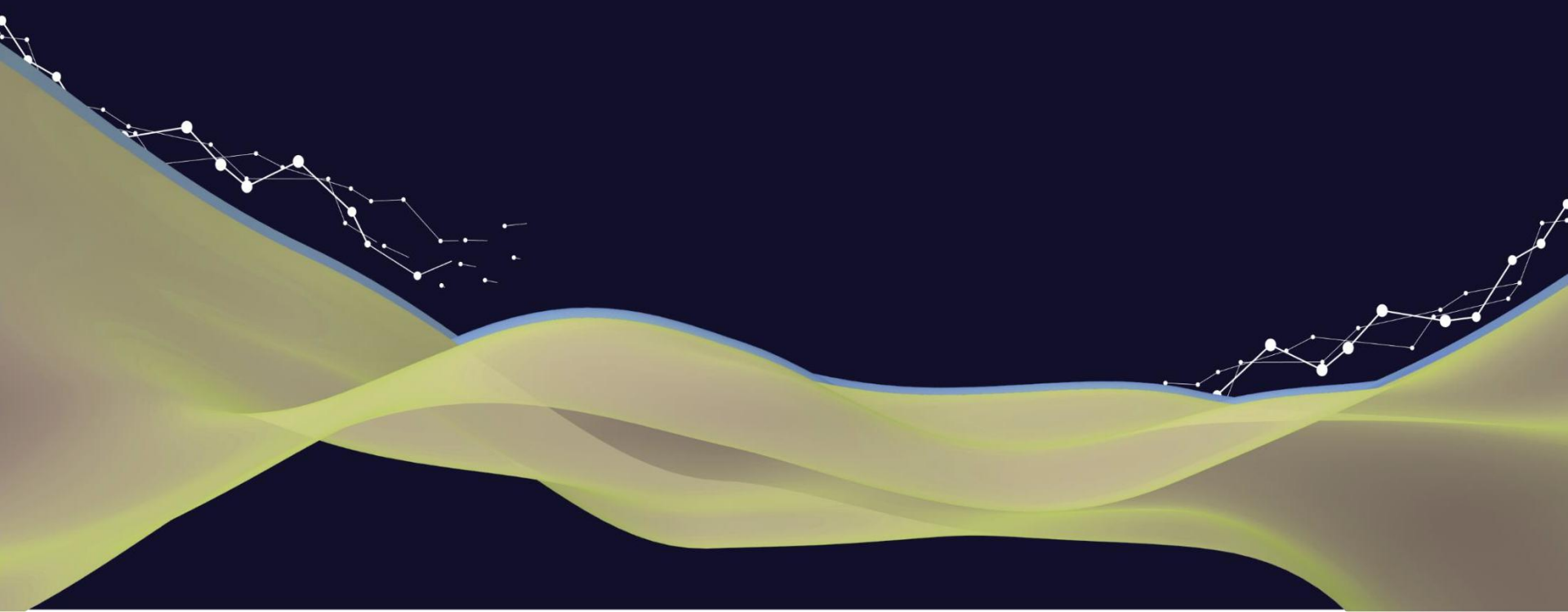




OTC Exotic Structured Products

SGX Iron Ore – 4th March 2026



SGX Iron Ore Structure Marketing Notes

How the structure works:

The consumer accumulator with daily knock-out and daily triple-up is designed to help clients who are consuming iron ore secure a more competitive average purchase price over time.

The buyer agrees to purchase a fixed tonnage each day at the accumulation level – as can be seen, lower than the market at time of pricing.

Daily Knock-Out: If the iron ore price trades at or above a pre-set upside barrier on any fixing day, the structure terminates from that day onward. This prevents the buyer from continuing to accumulate if the market has already moved materially higher.

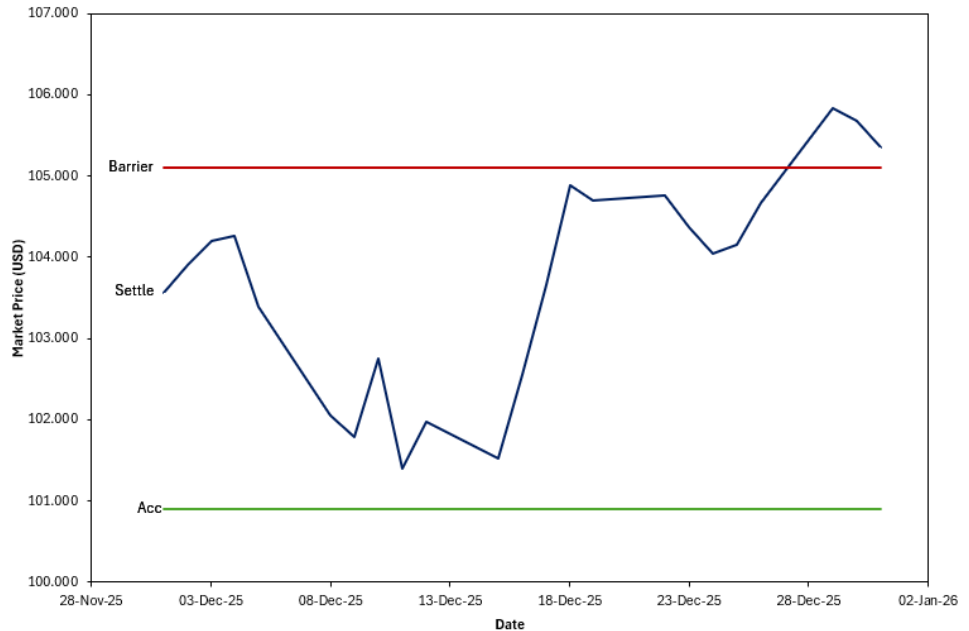
Daily Triple-Up (Leverage): If the price fixes below the strike, the buyer purchases three times the daily tonnage that day. This increases exposure when prices are lower, however the triple up is the ‘risk’ or ‘leverage’ that allows purchases at lower than market levels.

For an iron ore consumer, the structure works best in stable or moderately rising markets — allowing them to build volume at an improved fixed price, while the leverage feature increases participation when the market softens.

Please see below for the trade example and how the structure works:

Consumer Accumulator with Daily KO & Daily Tpl-Up

Underlying Contract	SCOF26
Basis	103.57
Start Date	01 Dec 25
Expiration Date	31 Dec 25
Accumulation Level	100.9 (-2.67)
Barrier Level	105.1 (+1.53)
Pricing Days	23
Notional	23 lots
Min Notional	0 lots
Max Notional	69 lots
Daily Quantity	1 lot
Delta	0.59
Delta Lots	13.57



Each pricing day from the Start Date till the Expiration Date, if the Settlement Price of the Underlying Contract is:

- **between** the Barrier Level and the Accumulation Level you **BUY** the Daily Quantity at the Accumulation Level
- **at or above** the Barrier Level you **BUY zero contracts**
- **at or below** the Accumulation Level you **BUY triple** the Daily Quantity at the Accumulation Level

How the Market Behaved During the Structure Period

- As it can be seen from the chart above, prices rose modestly through the period. Iron ore prices strengthened through December, supported primarily by:
 - Improved China sentiment – renewed optimism around policy support and infrastructure activity
 - Seasonal restocking – mills building inventory ahead of the Lunar New Year period
 - Resilient steel exports – helping underpin raw material demand
 - Short-covering and year-end positioning – amplifying upward price momentum
- Overall, the move was driven more by improving sentiment and positioning than by a structural shift in supply.

Hypothetical Performance

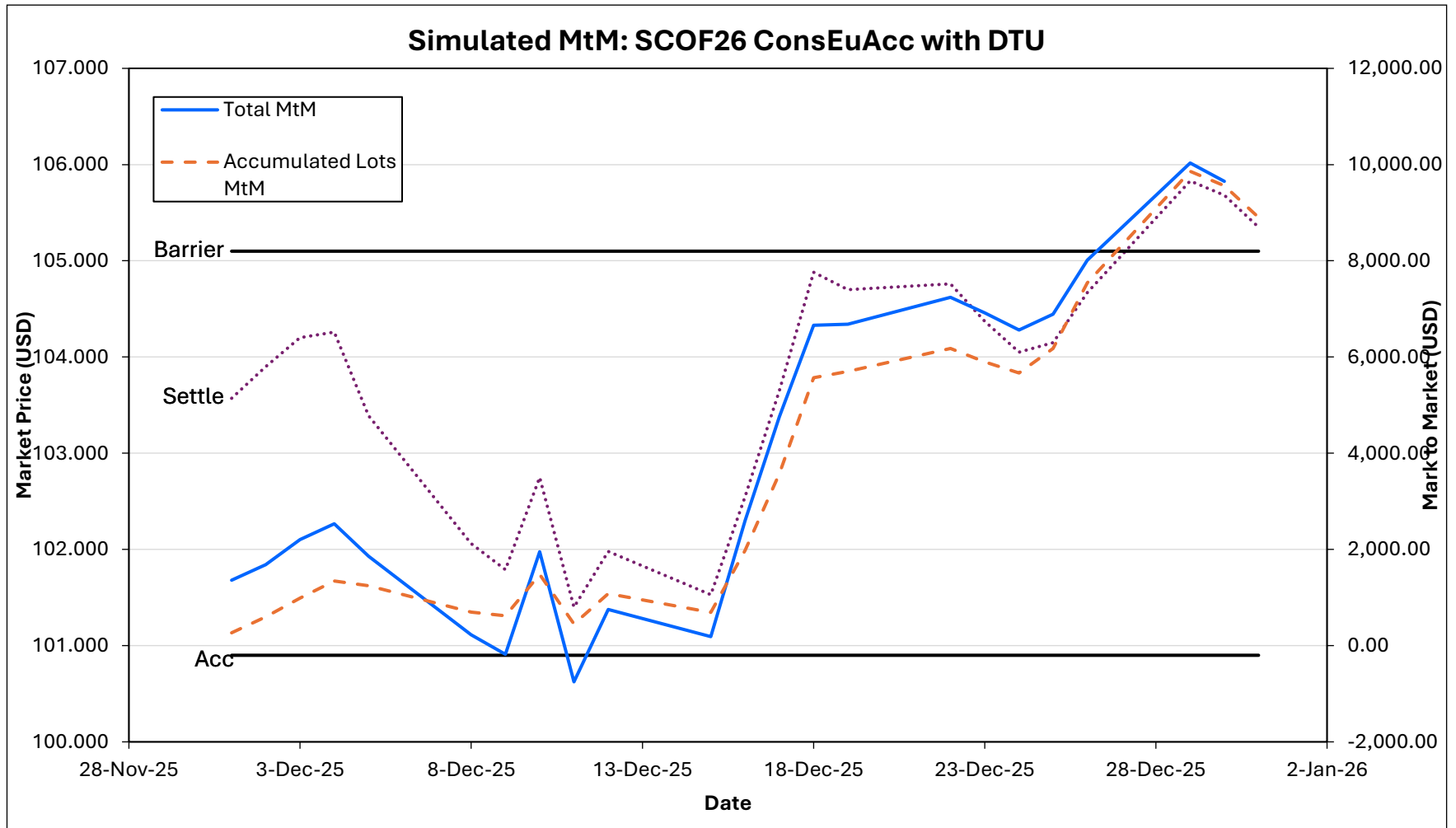
The accumulator performed well over the approximately one-month tenor of the contract.

During the structure period, the market traded below the Accumulation Level on only one day, and no triple-up event was triggered.

A strong rally in mid-December pushed the trade firmly in-the-money, while prices remained within the barrier range until the final few days of the structure. As a result, 20 lots were accumulated compared to an expected notional of 23 lots.

Based on the final closing price, the mark-to-market (MtM) reached **USD 9,654.33k**, representing a strong outcome for an iron ore consumer, particularly given the relatively short tenor of the structure.

SGX Iron Ore Market Movement and Structure Performance



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