



Xena Exchange

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XBTUSD Listed Perpetual Specification

Effective since **16 July 2019**

The full list of the documents governing the rules of executing transactions involving the XBTUSD Xena Listed Perpetual is located at <https://xena.exchange/platform-specification/documents>.

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Outline

XBTUSD is a Xena Listed Perpetual intended to imitate the spot price of Bitcoin to USD. The rules for trading Xena Listed Perpetuals are described here:

<https://xena.exchange/docs/Rules%20of%20Xena%20Listed%20Perpetuals%20Trading.pdf>

- The price of the contract is defined in USD per 1 Bitcoin
- The contract is settled in Bitcoins
- The contract is inverted — the quantity is defined in USD. The contract size (1 USD) reflects how many Bitcoins 1 USD is worth at the moment of the trade
- The contract is traded in lots, with the lot size set at 1 contract
- The initial and maintenance margin rates vary from 1.25% to 100%, depending on the total position volume
- The current floating P&L that clients see in the terminal is calculated using the best bid/ask. The margin level is calculated using the underlying index price
- The contract is protected from sudden price movements and undesired liquidation with the Price Range, Upper and Lower Limits, and Safe Liquidation
- The contract is cleared every hour. The .BTC3_TWAP index (the average price of Bitcoin according to three exchanges — Kraken, Coinbase Pro and Bitstamp — additionally averaged by time) is used as the benchmark. During a clearing, the floating P&L calculated using the benchmark is deposited (withdrawn) to the Client's accounts
- Open positions are subject to the following cash flows:
 - Premium, defined by the .XBTUSD_Premium_IR_Corrected index, which is calculated as the difference between the volume-weighted average bid and ask in the XBTUSD order book ("mid-price") and the .BTC3_TWAP index. If the average price of the perpetual is higher than that of the index, the

holders of long positions will pay to the holders of short positions, and if the perpetual trades lower than the index, the holders of shorts will pay the holders of longs. The exact formula for the index is defined in its specifications; generally, the payment for every 1 BTC of the active position equals the difference between the mid-price and the price of the underlying index, capped by the defined value.

- Risk adjustment, defined by the .RiskAdjustment_IR index, is payable by holders of both long and short positions
- There are no interest payments

The table below sets out profit and loss situations when trading the XBTUSD Listed Perpetual:

Profitable trades	Unprofitable trades
Buy low – Sell high	Buy high – Sell low
Sell high – Buy low	Sell low – Buy high

Contract specifications

The exact configuration of the contract is published on the Xena Exchange Website here: <https://xena.exchange/perpetuals/XBTUSD/contract-specification>

Margin rates

The margin rates for the contract are published on the Xena Exchange Website here: <https://xena.exchange/perpetuals/XBTUSD/margin-rates>

Margin rate multipliers

The margin rate multipliers for the contract are published on the Xena Exchange Website here: <https://xena.exchange/perpetuals/XBTUSD/margin-rates>

Formulas

In the formulas below, *round(value, decimal places)* rounds "half up" (e.g., $\text{round}(1.44, 1) = 1.4$, and $\text{round}(1.45, 1) = 1.5$).

Position value

$$Value_{USD} = round(Lots * LotSize * ContractValue, 2)$$

$$Value_{BTC} = round\left(\frac{Value_{USD}}{Price}, 8\right)$$

In this and the following formulas, rounding occurs to the precision of either USD (2 digits) or BTC (8 digits).

Profit and loss

$$PL_{BTC} = [Value_{BTC}(Open) - Value_{BTC}(Close)] * Side$$

Side is 1 for long positions and -1 for short positions.