

## EQUITY PRODUCTS

# Nikkei 225 Futures and Options

Fast, efficient tools for managing exposure to the Japanese equity market.

### Overview

Nikkei 225 futures and options on futures provide investors around the globe with an efficient way to access the opportunities of the Japanese equity market, one of the world's largest markets today (in terms of market capitalization). The contracts track the benchmark Nikkei 225 Stock Average, with futures offered in both yen- and U.S. dollar-denominated contracts, to better serve customers with portfolios of investments in those currencies. Nikkei 225 products are available for trading on the CME Globex platform.

### About the Nikkei 225 Stock Average

The Nikkei 225 Stock Average is one of the oldest barometers of the Japanese market, first calculated in 1949. It is structured to reflect the Japanese stock market using the 225 top-rated, blue-chip Japanese companies listed in the First Section of the Tokyo Stock Exchange (TSE), featuring such familiar company names as Sony and Honda. The Nikkei 225 Stock Average is price-weighted, so that higher-priced stocks have a greater percentage impact on the Index than lower-priced stocks.

### The Mutual Offset System

A special arrangement between CME Group and the Singapore Exchange (SGX) allows traders of yen- and U.S. dollar-based Nikkei 225 futures to take positions in the products at one exchange and offset them at the other one – essentially creating one marketplace crossing different time zones. This provides traders with greater trading access (around-the-clock availability) and convenience, as well as fungibility of contracts between the exchanges.

### Market participants

**Institutional clients and investors seeking Japanese equity market exposure and investment opportunities:**

- Pension and money managers
- Hedge funds
- Transition managers
- Financial institutions and investment banks
- Proprietary trading firms and trading arcades
- Individual investors

### Benefits

- Single-trade exposure to the Japanese equity market through the premier Nikkei 225 Stock Average
- Choice of yen- or U.S. dollar-based futures contracts
- Eligible for mutual offset through SGX, for greater access and trading across time zones
- Global access through the CME Globex electronic trading platform
- Potentially lower costs than buying a basket of individual securities
- Supports a variety of trading strategies, including global asset allocation, risk management, spreading against other indexes and arbitrage
- CME Clearing serves as counterparty to every trade, greatly reducing credit risk

Learn more about Nikkei 225 futures and options at [www.cmegroup.com/nikkei](http://www.cmegroup.com/nikkei).

# NIKKEI 225 FUTURES AND OPTIONS CONTRACT SPECIFICATIONS

	FUTURES (YEN-BASED)	FUTURES (U.S. DOLLAR-BASED)	OPTIONS (U.S. DOLLAR-BASED)
<b>Ticker Symbols</b>	NIY (CME Globex only)	CME Globex: NKD Open Outcry: NIK	Calls: KN Puts: JN
<b>Contract Size</b>	¥ 500 x Nikkei 225 Stock Average	\$5.00 x Nikkei 225 Stock Average	One Nikkei 225 futures contract (U.S. dollar-based)
<b>Minimum Price Fluctuation (Tick Size)</b>	5.00 index points = ¥ 2500	5.00 index points = \$25.00	5.00 index points = \$25.00
<b>Trading Hours</b> <small>All times listed in Central Time (CT)</small>	<b>No Open Outcry Trading</b> <b>CME Globex – Daylight Savings Time</b> 6:00 a.m. – 3:15 p.m. Reopens for next trade date 3:30 p.m. – 4:30 p.m. Shutdown period 4:30 p.m. – 5:00 p.m. Reopens 5:00 p.m. – 6:00 p.m. <b>CME Globex – Standard Time</b> 5:00 a.m. – 3:15 p.m. Reopens for next trade date 3:30 p.m. – 4:30 p.m.	<b>Open Outcry Trading</b> Monday – Friday 8:00 a.m. – 3:15 p.m. <b>CME Globex – Daylight Saving Time</b> 3:00 a.m. – 3:15 p.m. Reopens for next trade date 3:30 p.m. – 4:30 p.m. Shutdown period 4:30 p.m. – 5:00 p.m. Reopens 5:00 p.m. – 6:00 p.m. <b>CME Globex – Standard Time</b> 2:00 a.m. – 3:15 p.m. Reopens for next trade date 3:30 p.m. – 4:30 p.m.	<b>Open Outcry Trading</b> Monday – Friday 8:00 a.m. – 3:15 p.m. <b>No CME Globex Trading</b>
<b>Contract Months</b>	Five months in the March quarterly cycle (March, June, September and December) and three serial months (i.e., January, February and April)	Four months in the March quarterly cycle (March, June, September and December)	Three months in the March quarterly cycle (March, June, September and December) and two serial months (i.e., January and February)
<b>Last Trading Day</b> <small>All times listed in CT</small>	3:15 p.m. on the business day immediately preceding the day of determination of the Final Settlement Price. The Final Settlement Price is determined on the second Friday of the contract month by the Osaka Securities Exchange	Same as ¥-based futures	<b>Quarterly options:</b> Same as the underlying futures contract <b>Serial options:</b> 3:15 p.m. on third Friday of the contract month
<b>Strike Prices</b>	N/A	N/A	Integers divisible by 500 points with no remainders
<b>Price Limits</b>	Lead Month Settlement: 0-20,000 20,005-30,000 30,000 and up		No limits
<b>Settlement</b>	Cash settled. Final Settlement Price is based on a Special Opening Quotation of the Nikkei 225 Stock Average referencing the opening values of constituent stocks		Same as underlying

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