

# Trading Japanese Equity Index Futures at CME Group – Nikkei 225 and TOPIX

Nikkei 225 futures and TOPIX 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. CME Group offers both Japanese yen and U.S. dollar denominated Nikkei 225 futures and TOPIX futures to better serve the customers with portfolios in different currencies.

## Key features

- **Significant spreading opportunities:** Explore quanto spreading opportunities between the yen- and USD-denominated TOPIX contracts.
- **Versatility to manage positions:**
  - Nearly 24 hours electronic trading on CME Globex
  - Basis Trade at Index Close (BTIC)
  - Block trades (Nikkei 225 futures)
  - Bilaterally negotiate EFP transactions
- **Easy to implement long short view:** Access the Japanese stock market through the benchmark Nikkei 225 and TOPIX futures.
- **Power of leverage:**
  - Capital efficiency possible by margin offsets against other CME Group equity index futures
  - Greater upside with potentially lower trading cost vs. a basket of stocks or ETFs
- **Sophisticated trading:** Use a variety of strategies including index spreading and arbitrage to fine-tune your equity market exposure and tailor a position to reduce risk.
- **Inter-commodity spread:** Spread functionality allows market participants to spread USD- and yen-denominated Nikkei 225 index futures as a single instrument.
- **Mutual Offset System (MOS):** Execute Nikkei 225 futures at CME Group or SGX for greater access and trading across time zones.
- **Security of central clearing** counterparty risk is mitigated through CME clearing.

## What is the Nikkei 225 stock average index?

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 Prime Market 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.

## What is the Tokyo stock price index (TOPIX)?

The Tokyo stock price index (TOPIX) is a free float adjusted market capitalization-weighted index that covers an extensive proportion of the Japanese stock market. TOPIX reflects the measure of current market capitalization and is used as a broad benchmark for investment in Japanese stocks.

CONTRACT SPECIFICATIONS

	NIKKEI225/YEN FUTURES	NIKKEI225/USD FUTURES	TOPIX/ YEN FUTURES	TOPIX/ USD FUTURES
TICKER SYMBOLS	Outright: NIY BTIC: NIT  Inter-commodity spread: NKD – NIY E-mini: ENY	Outright: NKD BTIC: NKT	Outright: TPY BTIC: TPB	Outright: TPD BTC: TPT
CONTRACT SIZE	Outright: ¥500 x Nikkei 225 stock average  E-mini: ¥100 x Nikkei 225 stock average	¥5.0 x Nikkei 225 stock average	¥5,000 x TOPIX (Tokyo stock price index)	\$50 x TOPIX (Tokyo stock price index)
MINIMUM PRICE FLUCTUATION (TICK SIZE)	Outrights and spreads: 5.00 index points = ¥ 2,500 BTIC: 0.1 index points = ¥50  E-mini: 10 index points = ¥ 1,000	Outrights and spreads: 5.00 index points = \$25.00 BTIC: 0.1 index points = \$0.50	Outrights and spreads: 0.5 index points = ¥ 2,500 BTIC: 0.025 index points = ¥ 125	Outrights and spreads: 0.5 index points = \$25 BTIC: 0.025 index points = \$1.25
TRADING HOURS	<b>CME Globex</b> Outrights: Sunday – Friday 6:00 p.m. ET – 5:00 p.m. ET BTIC: Sunday – Friday 6:00 p.m. ET – 3:00 p.m. Tokyo time (1:00 a.m./2:00 a.m. ET) <b>CME ClearPort:</b> Sunday 6:00 p.m. - Friday 6:45 p.m. ET with no reporting Monday - Thursday 6:45 p.m. – 7:00 p.m. ET			
CONTRACT MONTHS	NIY: 12 quarterly months (Mar, Jun, Sep, Dec), 3 serial months and 3 December expirations  E-mini: 4 quarterly months (Mar, Jun, Sep, Dec)	12 quarterly months (Mar, Jun, Sep, Dec) and 3 December expirations	5 quarterly months in the March quarterly cycle (Mar, Jun, Sep, Dec)	5 quarterly months in the March quarterly cycle (Mar, Jun, Sep, Dec)
TERMINATION OF TRADING	Outrights: 5:00 p.m. ET on the last trading day of the contract month BTIC: 3:00 p.m. Tokyo time (1:00a.m./ 2:00a.m ET) on the last trading day of the contract month			
MINIMUM BLOCK TRADE SIZE	Outright: 50 contracts BTIC: 50 contracts E-mini: 250 contracts	Outright: 50 contracts BTIC: 50 contracts	Not eligible	Not eligible
PRICE LIMITS	Daily price limits are calculated based upon the previous day's reference price on the Osaka Exchange +/- 8%/ 12%/ 16% offset levels.			
SETTLEMENT	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 on the business day following the last trading day.		Cash settled. Final settlement price is based on a Special Opening Quotation of the TOPIX referencing the opening values of constituent stocks on the business day following the last trading day.	

To learn more about Nikkei 225 futures, visit [cmegroup.com/nikkei](https://cmegroup.com/nikkei)

To learn more about TOPIX futures, visit [cmegroup.com/topix](https://cmegroup.com/topix)

cmegroup.com

Helping the World Advance: CME Group is comprised of four designated contract markets (DCMs), the Chicago Mercantile Exchange Inc. ("CME"), the Chicago Board of Trade, Inc. ("CBOT"), the New York Mercantile Exchange, Inc. ("NYMEX"), and the Commodity Exchange, Inc. ("COMEX"). The Clearing Division of CME is a derivatives clearing organization ("DCO") for CME Group's DCMs.

Exchange traded derivatives and cleared over-the-counter ("OTC") derivatives are not suitable for all investors and involve the risk of loss. Exchange traded and OTC derivatives are leveraged instruments and because only a percentage of a contract's value is required to trade, it is possible to lose more than the amount of money initially deposited. This communication does not (within the meaning of any applicable legislation) constitute a Prospectus or a public offering of securities; nor is it a recommendation to buy, sell or retain any specific investment or service.

The content in this communication has been compiled by CME Group for general purposes only and is not intended to provide, and should not be construed as advice. Although every attempt has been made to ensure the accuracy of the information within this communication as of the date of publication, CME Group assumes no responsibility for any errors or omissions and will not update it. Additionally, all examples and information in this communication are used for explanation purposes only and should not be considered investment advice or the results of actual market experience. Any information denoting past or historical performance is not indicative of future performance and no reliance shall be placed on such information. All matters pertaining to rules and specifications herein are made subject to and superseded by official CME, CBOT, NYMEX and COMEX rulebooks. Current rules should be consulted in all cases including matters relevant to contract specifications. CME Group does not represent that any material or information contained in this website is appropriate for use or permitted in any jurisdiction or country where such use or distribution would be contrary to any applicable law or regulation.

In Australia, each of Chicago Mercantile Exchange Inc. (ARBN 103 432 391), The Board of Trade of the City of Chicago Inc (ARBN 110 594 459), the New York Mercantile Exchange Inc (ARBN 113 929 436) and Commodity Exchange, Inc. (ARBN 622 016 193) is a registered foreign company in Australia and holds an Australian market licence.

In Hong Kong, CME Group is authorised by the Hong Kong Securities and Futures Commission (the "SFC") to provide Automated Trading Services ("ATS") to Hong Kong investors via its GLOBEX system, and its CME Clearing System under Part III of the Securities and Futures Ordinance (the "SFO").

In Japan, CME Inc. has a Foreign Clearing Organisation (FCO) license under the Financial Instruments and Exchange Act of Japan.

In Singapore, CME Inc., CBOT and NYMEX are regulated as a recognized market operator and CME Inc. is regulated as a recognized clearing house under the Securities and Futures Act (Chapter 289) ("SFA"). Save as aforesaid, none of the CME Group entities are licensed to carry on regulated activities under the SFA or to provide financial advisory services under the Financial Advisers Act (Chapter 110) in Singapore.

None of CME Group entities are registered or licensed to provide, nor does it purport to provide, financial services of any kind in some jurisdictions, including, but not limited to, India, Korea, Malaysia, New Zealand, People's Republic of China, Philippines, Taiwan, Thailand, and Vietnam and in any jurisdiction where CME Group is not authorized to do business or where such distribution would be contrary to the local laws and regulations.

In Hong Kong, this communication is intended to be distributed to professional investors only, as defined under the Securities and Futures Ordinance. The contents of this communication have not been reviewed by any regulatory authority in Hong Kong. You are advised to exercise caution in relation to the information contained herein. If you are in any doubt about any of the contents of this communication, you should obtain independent professional advice. CME is not licensed to carry on business in dealing or advising on futures contracts under the Securities and Futures Ordinance in Hong Kong.

In Japan, this communication is for distribution solely to certain qualified sophisticated investors as defined in the Commodities Futures Act of Japan (Law No. 239 of 1950, as amended) and the related rules, as appropriate; other than that, the information contained in this communication is not directed at any person in Japan.

In the Republic of Korea, this communication is for distribution solely to "professional investors" (as defined in Article 9(5) of the Financial Investment Services and Capital Markets Act and related rules) in response to a request from such professional investors or through a licensed investment broker.

In Singapore, this communication and its contents have not been reviewed or approved by any regulatory authority in Singapore. The information within this communication has been compiled by CME Group for general purposes only and is not intended to provide, and should not be construed as, advice. It does not take into account your objectives, financial situation or needs, you should obtain appropriate professional advice before acting on or relying on the information set out in this communication. The information within this communication should not be considered as an offer, invitation or solicitation to buy or sell any futures, options contracts or any other financial products or services. CME Group assumes no responsibility for any errors or omissions. Additionally, all examples in this communication are hypothetical situations, used for explanation purposes only, and should not be considered investment advice or the results of actual market experience. This communication is for distribution in Singapore solely to persons holding a capital markets services licence for trading in futures contracts or exempt from such requirements.

In these jurisdictions, this communication has not been reviewed or approved by any regulatory authority and access shall be at the liability of the user. Any trades undertaken in the aforesaid jurisdictions will be at the sole risk of the relevant investor and should always be made in compliance with the local laws and regulations applicable in such jurisdictions.

CME Group, the Globe Logo, CME, Globex, E-Mini, CME Direct, CME DataMine and Chicago Mercantile Exchange are trademarks of Chicago Mercantile Exchange Inc. CBOT and the Chicago Board of Trade are trademarks of the Board of Trade of the City of Chicago, Inc. NYMEX and ClearPort are trademarks of New York Mercantile Exchange, Inc. COMEX is a trademark of Commodity Exchange, Inc.

Copyright © 2022 CME Group Inc. All rights reserved.

Mailing Address: 20 South Wacker Drive, Chicago, Illinois 60606