

CME Nikkei 225™ Futures and Options



OVERVIEW

CME 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-denominations, to better serve customers with portfolios of investments in those currencies. CME 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 and the Singapore Exchange (SGX) allows traders of yen- and U.S.-dollar-based CME 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.

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
- » Lower capital requirements 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

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
- » Corporations
- » Proprietary trading firms and trading arcades
- » Individual investors

CME Nikkei 225 Futures and Options

	FUTURES (YEN-BASED)	FUTURES (U.S. DOLLAR-BASED)	OPTIONS (U.S. DOLLAR-BASED)
Ticker Symbols	NIY (CME Globex only)	CME Globex: NKD Open Outcry: NIK	Calls: KN Puts: JN
Contract Size	¥ 500 x CME Nikkei 225 futures price	\$5.00 x CME Nikkei 225 futures price	One CME Nikkei 225 futures contract (U.S.-dollar-based)
Minimum Price Fluctuation	5.00 index points = ¥ 2500	5.00 index points = \$25.00	5.00 index points = \$25.00
Trading Hours <i>All times listed in CT</i>	No Open Outcry Trading CME Globex - Daylight Saving Time 06:00 – 15:15 Reopens for next trade date 15:30 – 16:30 Closes 16:30 – 17:00 Reopens 17:00 – 18:00 CME Globex - Central Standard Time 05:00 – 15:15 Reopens for next trade date 15:30 – 16:30	Open Outcry 8:00 – 15:15 Mon. – Fri. CME Globex - Daylight Saving Time 03:00 – 15:15 Reopens for next trade date 15:30 – 16:30 Closes 16:30 – 17:00 Reopens 17:00 – 18:00 CME Globex - Central Standard Time 02:00 – 15:15 Reopens for next trade date 15:30 – 16:30	Open Outcry Only 08:00 – 15:15 Mon. – Fri. No CME Globex Trading
Contract Months	All 12 calendar months. CME lists the nearest five months in the March quarterly cycle and the nearest three serial months.	March, June, September, December. CME lists the nearest four months in the March quarterly cycle.	All 12 calendar months. CME lists the nearest three quarterly months and nearest two serial months.
Last Trading Day <i>All times listed in CT</i>	15:15 on the business day immediately proceeding 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.	Quarterly options: Same as the underlying futures contract. Serial options: 15:15 on third Friday of the contract month.
Strike Prices	N/A	N/A	Integers divisible by 500 with no remainders.
Position Limits	5,000 contracts	5,000 contracts	5,000 futures-equivalent contracts net on same side of the market in all contract months combined.
Price Limits	Lead Month Settlement: 0-20,000 20,005-30,000 30,000 and up	Daily Limit (Index Points): 1,000 1,500 2,000	No limits.
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.		Same as underlying futures.
Performance Bonds (Outrights)*	Spec.: Initial ¥587,500; Maintenance ¥470,000. Hedge/Member: Initial and maintenance ¥470,000. Can be held in yen or dollars – see www.cme.com.	Spec.: Initial \$5,000; Maintenance \$4,000. Hedge/Member: Initial and maintenance \$4,000.	Call the CME Risk Management/SPAN Hotline at 312.648.3888.

*ALL PERFORMANCE BONDS SUBJECT TO CHANGE AND BROKERS MAY HAVE HIGHER MARGINS.

Learn more about CME Nikkei 225 futures and options at www.cme.com/nikkei.

CME – Chicago
20 S. Wacker Drive
Chicago, Illinois 60606-7499
Tel: 312.930.1000
Fax: 312.466.4410
E-mail: info@cme.com

CME – London
Watling House
33 Cannon Street
London EC4M 5SB, United Kingdom
Tel: +44.20.7796.7100
Fax: +44.20.7796.7110
E-mail: cmeeurope@cme.com

CME – Hong Kong
One Exchange Square
8 Connaught Place, Level 39
Central, Hong Kong
Tel: +852.3101.7696
Fax: +852.3101.7698
E-mail: cmeasiateam@cme.com

CME – Sydney
Level 17, BNP Paribas
60 Castlereagh Street
Sydney NSW 2000, Australia
Tel: +61.2.9231.7475
Fax: +61.2.9231.7476
E-mail: cmeasiateam@cme.com

CME – Tokyo
Level 16 Shiroyama JT Trust Tower
4-3-1 Toranomon, Minato-ku
Tokyo 105-6016, Japan
Tel: +81.3.5403.4828
Fax: +81.3.5403.4646
E-mail: cmeasiateam@cme.com

The Globe Logo®, CME® and Globex® are trademarks of CME. All other trademarks are property of their respective owners. Copyright © 2007 CME. All rights reserved.
*Nikkei™ and Nikkei 225™ are trademarks of Nikkei Inc. and have been licensed for use by CME in connection with the trading of Futures and Futures Options (Products) based on the Nikkei Stock Average (Nikkei 225).

EQ115/2M/0507