Itayose Conditions and Pricing Examples

Cond.	
1	The price where bids and offers match that is between one tick above the highest order price and one tick below the lowest order price*1.
2	In the case where there are two or more prices that meet Condition 1, the price at which there will be maximum traded volume.
3	In the case where there are two or more prices that meet Condition 2, the price at which the difference between the cumulative volume of sell orders and the cumulative volume of buy orders (hereinafter referred to as "imbalance") is the smallest.
4	In the case where there are two or more prices that meet Condition 3, one of the following prices: 1) In the case where all imbalances are on the sell side, the lowest among such prices; 2) In the case where all imbalances are on the buy side, the highest among such prices; or 3) Otherwise, the price in Condition 5.
5	One of the following prices: 1) In the case where the highest price among the prices at which the imbalance (if there are several prices at which there are imbalances on both sell and buy sides, it shall be limited to the lowest price among the prices at which there are sell-side imbalances and the highest price among the prices at which there are buy-side imbalances; the same shall apply hereinafter) is smallest, is lower than the Reference Price, such 2) In the case where the Reference Price falls within the range of the prices at Same as at left Appendix 1 which the imbalance is smallest, the Reference Price*2 ; or 3) In the case where the lowest price, among the prices at which the imbalance is smallest, is higher than the Reference Price, such lowest price.

*1 The executable price range may exceed the range defined by the price limits on bids/offers.
*2 The Reference Price shall be determined as follows
 (1) The last contract price on the trading day;
 (2) In the case where the price described in (1) is not available, the reference price for the price limits on bids/offers on the trading day. (For strategy trading, the highest price among prices at which the imbalance is the smallest.)

Example 1: Conditions 2 CaseA

	SUM(A)	SELL	Price	BUY	SUM(B)	Execution	Imbalance
Before Itayose	50	50	Market Order	150	150		
	:		:		:		
	300		20,030		150		
	300		20,020		150	150	150
	300	250	20,010	150	300	300	0
	50		20,000		300	50	250
	50		19,990		300		
Results	Prices from JPY20,000 to JPY20,020 meet Cond.1. A transaction is made at JPY20,010 with maximum traded volume. (Cond. 2).						

Example 2. Condition 2 CaseB

	SUM(A)	SELL	Price	BUY	SUM(B)	Execution	Imbalance
Before Itayose	100	100	Market Order	150	150		
	:		:		:		
	300		20,030		150	150	150
	300		20,020	50	200	200	100
	300		20,010		200	200	100
	300	200	20,000	300	500	300	200
	100		19,990		500	100	400
Results	Prices from JPY19,990 to JPY20,030 meet Cond.1. A transaction is made at JPY20,000 with maximum traded volume. (Cond. 2).						

Example 3.Conditions 3 CaseA

	SUM(A)	SELL	Price	BUY	SUM(B)	Execution	Imbalance
Before Itayose	1000	1000	Market Order	300	300		
	:		:		:		
	1500		20,040		300	300	1200
	1500		20,030	100	400	400	1100
	1500		20,020	200	600	600	900
	1500	250	20,010	300	900	900	600
	1250	250	20,000		900	900	350
	1000		19,990		900	900	100
Results	Prices from JPY19,990 to JPY20,040 meet Cond.1. Prices from JPY19,990 to JPY20,010 meet Cond.2. A transaction is made at JPY19,990 with minimum imbalance in traded volume. (Cond. 3). *The transaction is made at the price that has no limit order.						

Example 4.Conditions 3 CaseB

	SUM(A)	SELL	Price	BUY	SUM(B)	Execution	Imbalance
Before Itayose	50	50	Market Order	30	30		
	:		:		:		
	110		20,040		30	30	80
	110		20,030	10	40	40	70
	110		20,020		40	40	70
	110	10	20,010	50	90	90	20
	100	50	20,000		90	90	10
	50		19,990	15	105	50	55
	50		19,980		105	50	55
Results			Prices from JPY19,980 to JPY20,040 meet Cond.1. Prices from JPY20,000 to JPY20,010 meet Cond.2. A transaction is made at JPY20,000 with minimum imbalance in traded volume. (Cond. 3).				

Example 5. Condition 4.1 CaseA

	SUM(A)	SELL	Price	BUY	SUM(B)	Execution	Imbalance
Before Itayose	50	50	Market Order	10	10		
	:		:		:		
	50		20,040		10		
	50		20,030		10		
	50		20,020		10	10	40
	50		20,010	10	20	20	30
	50		20,000		20	20	30
	50		19,990		20		
	50		19,980		20		
Results			Prices from JPY20,000 to JPY20,020 meet Cond.1. Prices from JPY20,000 to JPY20,010 meet Cond.2 and 3. A transaction is made at JPY20,000 (Cond. 4.1).				

Example 6. Condition 4.1 CaseB

	SUM(A)	SELL	Price	BUY	SUM(B)	Execution	Imbalance
Before Itayose	50	50	Market Order	10	10		
	:		:		:		
	50		20,040		10		
	50		20,030		10		
	50		20,020		10	10	40
	50		20,010	10	20	20	30
	50		20,000		20	20	30

Lower price limit

Results	Prices from JPY20,000 (1 tick lower than price limit) to JPY20,020 meet Cond.1. Prices from JPY20,000 to JPY20,010 meet Cond.2 and 3. A transaction is made at JPY20,000 based on Cond. 4.1.

Example 7. Condition 5.1

	SUM(A)	SELL	Price	BUY	SUM(B)	Execution	Imbalance	
Before Itayose	20		Market Order		10			
	:		:		:			
	20		20,010		10	10	10	SELL
	20	10	20,000		10	10	10	SELL
	10		19,990		10	10	0	
	10	10	19,980		10	10	0	
	0		19,970		10	0	10	BUY
					*The Reference Price is JPY20,000.			
Results	Prices from JPY19,970 to JPY20,010 meet Cond.1. Prices from JPY19,980 to JPY20,010 meet Cond.2. Prices from JPY19,980 to JPY19,990 meet Cond.3. A transaction is made at JPY19,990, nearer the Reference Price (JPY20,000), based on Cond. 5.1.							

Example 8. Condition 5.2

	SUM(A)	SELL	Price	BUY	SUM(B)	Execution	Imbalance	
Before Itayose			Market Order					
	:		:		:			
	2		20,030		0	0	2	
	2		20,020	1	1	1	1	SELL
	2	1	20,010		1	1	1	SELL
	1		20,000	1	2	1	1	BUY
	1	1	19,990		2	1	1	BUY
	0		19,980		2	0	2	
					*The Reference Price is JPY20,000.			
Results	Prices from JPY19,980 to JPY20,030 meet Cond.1. Prices from JPY19,990 to JPY20,020 meet Cond.2 and 3. A transaction is made at JPY20,000, the Reference Price, based on Cond. 5.2.							

Example 9. Condition 5.3

	SUM(A)	SELL	Price	BUY	SUM(B)	Execution	Imbalance	
Before Itayose	10	10	Market Order		0			
	:		:		:			
	10		20,030		0	0	10	SELL
	10		20,020	10	10	10	0	
	10		20,010		10	10	0	
	10		20,000	10	20	10	10	BUY
	10		19,990		20	10	10	BUY
					*The Reference Price is JPY20,000.			
Results	Prices from JPY19,990 to JPY20,030 meet Cond.1. Prices from JPY19,990 to JPY20,020 meet Cond.2. Prices from JPY20,010 to JPY20,020 meet Cond.3. A transaction is made at JPY20,010, nearer the Reference Price (JPY20,000), based on Cond. 5.3.							

Example 10. No limit orders

	SUM(A)	SELL	Price	BUY	SUM(B)	Execution	Imbalance
Before Itayose	10	10	Market Order	5	5		
			:				
			20,030				
			20,020				
			20,010				
			20,000				
			19,990				
Results	As there is no price that meets Cond.1, there is no transaction.						