

(Reference Translation)

JPX JGB Futures Index Series Guidebook

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JPX Market Innovation & Research, Inc.

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Record of Changes

Date	Changes
2015/9/18	*New Publication
2019/5/13	*Change of price used for calculation
2022/4/15	*Corrected a calculation and publication date error in the Outline
2023/4/3	*Added revisions with regard to the change of the index provider

Introduction

- JPX Market Innovation & Research, Inc. (hereinafter the “JPXI”) calculates and publishes JPX JGB Futures Index Series in accordance with the method described in this document. If an event not specified in this document occurs, or if JPXI determines that it is difficult to use the method described in this document, JPXI may use an alternative method of index calculation as it deems appropriate.
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I. Outline of JPX JGB Futures Index Series

- JPX JGB Futures Index Series consists of “JPX JGB Futures Index”, “JPX JGB Futures Inverse Index”, “JPX JGB Futures Leveraged Index”, and “JPX JGB Futures Double Inverse Index”.
- JPX JGB Futures Index tracks the performance of the front contract month of 10-year JGB Futures. JPX JGB Futures Leveraged Index, JPX JGB Futures Inverse Index, and JPX JGB Futures Double Inverse Index are designed to represent the double, inverse, and double inverse performances of the JPX JGB Futures Index, respectively.
- Calculation and publication of these indices are started on July 19, 2016.

II. Index Calculation

1. Outline

- The price used for calculation is that day’s settlement price for 10-year JGB Futures (physically delivered futures for standard 10-year JGB) which are listed on markets operated by Osaka Exchange, Inc., as determined by Article 20-5, Paragraph 1 of the Handling of Business Rules of Japan Securities Clearing Corporation.
- The price of the front contract month is used as the futures price. Note that the price used for the futures price will be changed to that of the next contract month one business day prior to the last trading day of the front contract month.
- The index is measured in points, and the figure is indicated up to the second decimal place. (rounded off to the nearest hundredth of a decimal point)
- The index value on December 30, 2008 was 10,000.

2. Formula

$$\text{Index value of the day} = \text{Index value of the previous business day} \times \left\{ 1 + \alpha \times \left(\frac{\text{Futures price of the day}}{\text{Futures price of the previous business day}} - 1 \right) \right\}$$

* The same contract month is used for both “Futures price of the day” and “Futures price of the previous business day”.

* α is treated as 1, -1, 2, and -2 for “JPX JGB Futures Index”, “JPX JGB Futures Inverse Index”, “JPX JGB Futures Leveraged Index”, and “JPX JGB Futures Double Inverse Index”, respectively.

III. Others

1. Publication

- Each index is calculated by JPXI and figures for the last trading prices are published once a day through J-GATE.

2. Licensing

JPXI and/or its affiliates reserve all calculation, publication, and other rights pertaining to JPX JGB Futures Index Series. As such, commercial use of said indices in the composition and/or sale of financial products, such as funds or linked bonds (including using any of the indices as the basis for options, swaps, warrants, or other OTC derivatives), or provision of index data requires a license from JPXI.

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