

**A One-Stop Method
for Hedging Against Yen FX Fluctuation Risks**

Guide to

FX Futures

Japanese markets are attracting the attention of investors from around the world.

In April 2026, a new product will be launched on Osaka Exchange, which sees the brisk trading of a wide range of asset classes such as Nikkei 225 Futures, JGB Futures, and Gold Futures.

The product's name is FX Futures.

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**For all professionals facing FX fluctuation risks.
Osaka Exchange's FX Futures
the new standard for one-stop FX risk hedging.**

Editor/Publisher

OSAKA EXCHANGE, INC.

1-8-16 Kitahama, Chuo-ku, Osaka 541-0041, Japan

TEL : +81-6-4706-0800 (Operator)

URL : <https://www.jpx.co.jp/>

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Why FX Futures?

Actually, because overseas investors are responsible for approximately 70% of the trading of Nikkei 225 Futures and Gold Futures on Osaka Exchange.

When an investor makes an investment on a Japanese market from overseas, the investor faces yen FX fluctuation risks. For instance, an overseas investor may make a profit from trading Nikkei225Futures, but that profit will be reduced if the yen's value depreciates.

Investors in Japan are also exposed to FX fluctuation risks when they invest in overseas assets.

Osaka Exchange has heard from many overseas and Japanese investors who have expressed a need for an efficient way to perform FX risk hedging on its derivatives market. FX Futures are designed to meet that need.

With the addition of "FX" as a new asset class, JPX Group's Osaka Exchange has created an environment where investors can hedge against their yen exposure in a one-stop manner.



FX Futures Key Points



1 Three Currency Pairs

FX Futures come in three varieties: USD/JPY Futures, CNH/JPY Futures, and EUR/JPY Futures.

2 Utilizes WMR FX Benchmarks

WMR FX Benchmarks, which are in widespread use throughout the world, are used to calculate the trading reference rates. This ensures transparent and fair price formation.

3 The contract unit of USD/JPY Futures is USD 10,000

When the exchange rate is JPY 150 per USD, the notional value of each contract is JPY 1.5 million. The contract unit of CNH/JPY Futures is CNH 100,000. When the exchange rate is JPY 20 per CNH, the notional value of each contract is JPY 2 million. The contract unit of EUR/JPY Futures is EUR 10,000. When the exchange rate is JPY 180 per EUR, the notional value of each contract is JPY 1.8 million.



4 Relatively Small Contract Units

Each FX Futures contract has a relatively small contract unit. This makes FX Futures easy for a retail investor to trade and allows the investor to hedge against their portfolio's principal more precisely. Through the leverage effect, an investor can trade an FX Futures contract using margin that is smaller than the contract's notional value.

5 Cash-Settled

When an FX Futures contract matures, the underlying currency is not physically delivered. Instead, a settlement is made of the difference between the contract's purchase price and its settlement price. FX risks can be controlled without an exchange of physical currencies.

6 Trading Hours Designed to Align with Global FX Futures Practices

FX Futures have the same trading hours as Nikkei 225 Futures. The trading hours consist of a daytime and a nighttime session. The five nearest contracts in the March quarterly cycle (March, June, September, and December) are available for trading. The last trading day is two business days before the third Wednesday of the contract month. This is in line with global FX futures practices.

Advantages of FX Futures

POINT 01 Wide Range of Usage Scenarios



FX Futures may be used in a wide variety of situations. For example, when an overseas investor takes on positions in Nikkei 225 Futures, they may combine them with FX Futures as a currency hedge. Alternatively, FX Futures may be used to hedge against FX fluctuation risks in yen-denominated margin that has been deposited from overseas. Securities companies and regional banks in Japan may use FX Futures to hedge against FX risks on assets that are denominated in foreign currencies. And of course, FX Futures may also be used for speculating on the direction of exchange rates.

POINT 02 High-Liquidity Market Environment



Osaka Exchange is also strongly committed to increasing the liquidity of FX Futures. FX Futures have multiple market makers that are creating a solid market for both the day and night sessions. Osaka Exchange also conducts fee discount and other sales campaigns when necessary.

POINT 03 Greater Capital Efficiency Through Margin Offsetting



One of the major benefits of FX Futures on Osaka Exchange is the ability to offset margin. Margin is required for futures transactions, but if an investor holds positions in FX Futures along with other index futures or options, a margin offsetting mechanism is applied. For example, when an investor holds a combination of positions in Nikkei 225 Futures and USD/JPY Futures, the investor's margin is reduced by about 30%. Positions in both types of futures can be maintained with approximately 70% of the original margin requirement. Since margin offsetting applies even between different currency pairs, investors who trade multiple currency pairs can expect a significant improvement in capital efficiency.

* The rates of margin offsetting will change depending on current market prices and the contents of the investor's portfolio.
* Estimated values as of January 2026.

Contract Specification

	USD / JPY Futures	CNH / JPY Futures	EUR / JPY Futures	Note
Underlier	The intraday spot rates of the WMR FX Benchmarks			WMR FX Benchmarks are financial indicators that show the currency prices that are calculated by FTSE International Limited.
	The amount of Japanese Yen that is equivalent to one United States Dollar	The amount of Japanese Yen that is equivalent to one Offshore Chinese Yuan	The amount of Japanese Yen that is equivalent to one Euro	
Trading Hours	Japan Time (JST) : 8:45am–3:45pm, (T+1 session) 5:00pm–6:00am Singapore / Hong Kong Time (SCT/HKT) : 7:45am–2:45pm, (T+1 session) 4:00pm–5:00am U.K. Time (GMT) : 11:45pm–6:45am, (T+1 session) 8:00am–9:00pm U.S. Time (EST) : 6:45pm–1:45am, (T+1 session) 3:00am–4:00pm			Same as Nikkei 225 futures
Contract Months	5 nearest contract months in the March quarterly cycle (March, June, September, and December)			Trading period for each contract month is 1 year and 3 months.
Last Trading day	2 business days prior to the 3rd Wednesday of the contract month			
Contract Unit	USD 10,000	CNH 100,000	EUR 10,000	
Tick Size	JPY 0.01 per USD (JPY 100 per contract unit)	JPY 0.001 per CNH (JPY 100 per contract unit)	JPY 0.01 per EUR (JPY 100 per contract unit)	
Price Limit	8% (1st Expansion : 12%; 2nd Expansion : 16%)			Same as Nikkei 225 futures
Immediately Executable Price Range	0.8% (Opening Auction : 3.0%; Closing Auction : 1.5%)			Same as Nikkei 225 futures
Strategy Trading	Calendar spread trading available (All combinations of contract months from the 1st to the 5th)			Total of 10 series for each financial indicator
J-NET Trading (off-Auction)	Available (Tick Size : JPY 0.0001; Price Range: +/- 8% of the base price for the daily price limits of the issue)			Same as Nikkei 225 futures
Final Settlement	Cash settlement based on the final settlement price			The final settlement price is based on the WMR Intraday Spot Rates at 5:00pm (Japan Time) on the last trading day.
Final Settlement Day	The 3rd Wednesday of the contract month (or the next business day if the 3rd Wednesday is a non-business day)			Two business days following the last trading day
Holiday Trading	Eligible			