



Guide to Index Futures

S&P/NZX 20 INDEX FUTURES

S&P/NZX 20 Index Futures are based on the S&P/NZX 20 Price Return Index which comprises 20 of the largest and most liquid companies listed on the NZX Main Board. Ranking and weighting is by free float market capitalisation*. The S&P/NZX 20 Index has been chosen as it is highly correlated with high beta to the benchmark S&P/NZX 50 Index while maintaining maximum liquidity in the underlying cash constituents.

NZX offers access to a diverse range of constituents, supported by New Zealand's strong rule of law and commitment to sustainable innovation. As the first market to open each day, NZX offers unique opportunities for global investors, including exposure to high-dividend-yielding stocks in a resilient economy.

TRADING S&P/NZX 20 INDEX FUTURES

The S&P/NZX 20 Index Futures provide a liquid, cost-effective tool to manage or gain exposure to the New Zealand equity market. The product enables greater diversity in investment strategy, benefiting both KiwiSaver (superannuation) and wider investment portfolios which supports the growth of the New Zealand capital markets ecosystem.

No existing exchange traded derivatives product exists that provides an accurate hedging tool for New Zealand Equities.

KEY FEATURES



\$1 per index
(e.g. value NZ\$7,500 at 7,500 index points)



March / June / September / December up to six calendar quarters ahead



Calendar Spreads functionality available



Self-match prevention functionality available

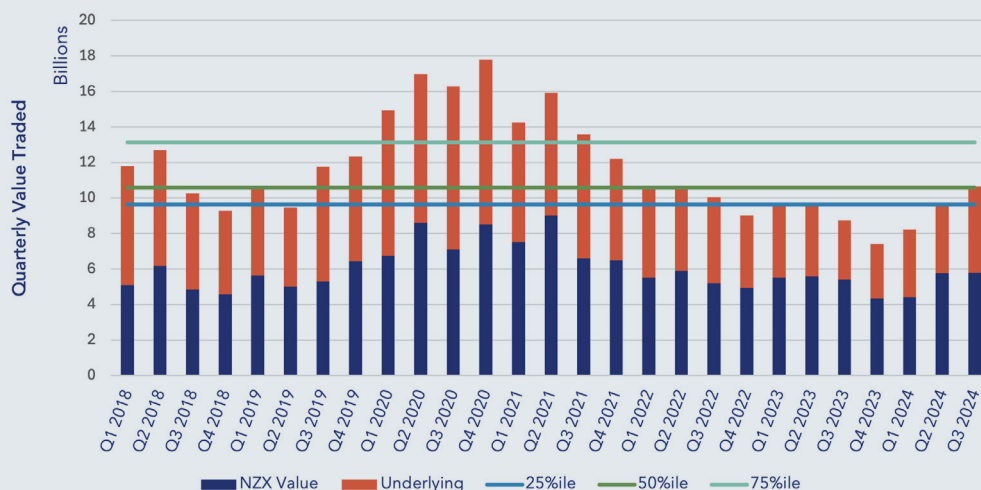


S&P/NZX 20 Index Futures Market Maker Schemes:
Dedicated Market Maker Schemes available for firms to provide liquidity in both the outright and calendar spreads



S&P/NZX 20 Index Futures Cornerstone Group:
Twelve local and global end users who see value in a liquid index future and a willingness to develop that liquidity

QUARTERLY VALUE TRADED NZX 20 CONSTITUENTS



For more information, please contact derivatives@nzx.com

► S&P/NZX 20 INDEX FUTURES – Individual Contract Specification

Underlying	S&P/NZX 20 Index
Underlying Index Return Type	Price Return
Unit of Trading	Contract valued at NZ\$1 per index point (e.g. value NZ\$7,500 at 7,500 index points)
Price Basis	Index points
Minimum Price Movement (Tick Size and Value)	One Index Point (NZ\$1)
Daily Price Limits by Contract Month	None
Contract Months	March / June / September / December up to six calendar quarters ahead
Trading Hours	As determined from time to time by NZX by notice to the Market in accordance with the NZX Derivatives Market Rules and Procedures.
Last Trading Day	Trading will cease at 17:15 hrs NZST/NZDST on the third Thursday of the Contract Month, or if that day is not a Trading Day, as set out in the expiry calendar
Final Settlement	Trades will be cash settled to the S&P/NZX 20 Index value calculated by S&P using the close prices on the Last Trading Day in accordance with the S&P/NZX New Zealand Indices Methodology
Clearing House	New Zealand Clearing Limited
Common Trading Facilities	Block Trading Facility ✓
	Exchange for Physicals Facility ✓
	Exchange for Swaps Facility ✗
Common Trading Facilities Minimum Volume Thresholds	Minimum Volume Thresholds for each Contract or class of Contracts are specified in Part C, Appendix One of the Procedures
Exchange Code	KIW
Cross Transactions Minimum Time Period	15 seconds
Position Limits	As prescribed by NZX from time to time
Exchange Rules	The Contracts are Traded on the NZX Derivatives Market and subject to the NZX Derivatives Market Rules and Procedures

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*S&P/NZX New Zealand Indices Methodology [methodology-sp-nzx-index.pdf](#)

