



S&P/NZX 20 Index Futures

Daily Settlement Price

January 2026

NZX Daily Settlement Price

The Daily Settlement Price ('DSP') of all six S&P/NZX20 Index Futures contracts quoted at any time will be derived from the index future pricing model, with the dividend yield itself derived from trades occurring in the last 30 minutes of the trading day where applicable, meaning that the major determinant of the DSP is the price at which the contract has traded in the final 30 minutes of the trading day.

DSP Methodology

DSP is calculated as follows:

$$F = \text{CashIndex} + \text{InterestCost} - \text{DividendPayment}$$

$$F_T = e^{(r-d)T} \times [S_0]$$

Where,

e: Exponential function

S₀: The closing value of the underlying index for the current day

T: Time to maturity of the future contract (in fraction of year), which is calculated as number of days from the current day to the expiry day, divided by 365.

r: Yearly continuous risk free rate on the term of the future contract.

d: continuous dividend yield, determined according to the dividend that might be paid over the lifetime of the future contract.

The Dividend Yield is derived in this order:

1. Price Setting Trades

The dividend yield is derived from index futures trades executed during the last 30-minute window of the trading day using the underlying Cash Index and Interest costs. If there are multiple trades, the average yield will be weighted by the trading quantity in that 30-minutes window.

If there are no trades in the final 30 minutes of the day, the most recent price-setting trade will be used. Please note that block trades are not considered as part of the DSP methodology as they are not price setting.

2. No Price Setting trades occur:

If no price setting trades occur, the dividend yield is calculated using Bloomberg's forecast for constituent stocks, considering only dividends with ex-dates earlier than the expiry date, and later than the current business date.

Price Rationalisation

Calculated Future prices will be adjusted in the following scenarios:

- If the calculated Future price is higher than the latest best Offer, the DSP will be specified as the latest best Offer.
- If the calculated Future price is lower than the latest best Bid, the DSP will be specified as the latest best Bid.

DSP on Last Trading Day

The DSP on the last trading day should match the close NZX20 index value on the current day.

Final Settlement Price

The Final Settlement Price shall be the NZX20 index value calculated by S&P using the close process on the last trading day as detailed in the Contract Specification. Final settlement price is published on the day after the last trading day (expiry day).

Links

- [NZX, New Zealand's Exchange - Nzx Equity Derivatives \(nzcx\), Contract Specifications](#)
- [NZX, New Zealand's Exchange - Nzx Equity Derivatives \(nzcx\), Market Data](#)

