



SGX first in world to trade Nikkei Dividend Index Futures

2 June 2010 – Singapore Exchange (SGX) today said its derivatives market will start trading the new SGX Nikkei Dividend Point Index futures from 17 June, making SGX the first Asian exchange to trade a dividend futures contract.

The SGX Nikkei Dividend Index futures will expand SGX's existing range of Nikkei products. The Nikkei 225 Index futures traded on SGX currently accounts for 30% of global trading of the contract.

The SGX Nikkei Dividend Index futures contract is based on the Nikkei Stock Average Dividend Point Index. Nikkei Inc. calculates the index based on accumulated dividends received by investors from constituent companies of the Nikkei Stock Average over a calendar year.

Mr. Chew Sutat, Executive Vice President and Head of Market Development at SGX said, "The SGX Nikkei Dividend Index contract will make price discovery transparent for customers who need to hedge, or take a view on, dividends of Japanese companies. We expect pension funds, asset managers and other over-the-counter market participants to participate in this new contract, thereby benefiting from the Central Counter-Party facility which removes counter-party credit risk. In addition, this new futures contract underpins SGX's efforts to broaden its suite of international products."