

Gross Return Futures

The Gross Return Futures and Forward Contracts (GRFs) on single stocks are futures or forward contracts adjusted for all dividends (price reduction by gross dividend amount) paid during the lifetime of the contract. The contract specifications deviate from existing Stock Futures and Forwards in respect of adjustments of dividends and distributions (chapter 3.5 section 3.6.1).

Nasdaq will adjust the contracts for all dividends, ordinary and extraordinary, using the re-calculation method 'Reduction in strike prices method' (chapter 3.5, section 2.3). Accordingly, GRFs are suitable for synthetic equity exposures reflecting the stock performance without any implied dividend risk.

Reduction in strike-method as defined in the Appendix to the Contract Specifications means that the Futures Price shall be reduced by a value calculated according to the Corporate Event.

The following is a brief description of the Gross Return Futures. Please find the full contract specification in chapter 3(ii) of the Exchange Rules and Clearing Rules of Nasdaq Derivatives Markets on Nasdaq.com.

Contact Information

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Visit our website:
www.nasdaq.com/solutions/stock-futures-forwards

Facts

Type of Contract	Futures contract with daily cash settlement and a Forward contract, each with physical delivery at expiration.
Currency	SEK, DKK, NOK or EUR depending on the underlying stock.
Underlying Instrument	Swedish, Danish, Finnish and Norwegian stocks as accepted from time to time by Nasdaq Derivatives Markets.
Contract Base in Genium INET ("ticker")	Same as existing single stock Forwards/Futures.
Contract Size	Same as existing single stock Forwards/Futures.
Dividend Adjustment Method	Reduction in Strike method (contract size unchanged).
Contract Term	Same as existing single stock Forwards/Futures.
Tick Size	Same as existing single stock Forwards/Futures.

Series Designation	Number 3 will be added in front of short names for Single Stock Gross Return Forwards and number 4 for Gross Return Futures.
Expiration Day	Third Friday of the expiration month (exceptions may apply).
Final Settlement Day	The second Swedish, Danish, Finnish or Norwegian Bank Day following the Expiration Day.
Last Trading Day	The Expiration Day.
Flexible Contracts	Supported.

Other details not listed in this document are the same as for the existing Single Stock Futures and Forwards on the same underlying; please check the Genium INET Market Model for Equity Derivatives available on our web site. Details on listing of new series and expiration prices are available in the Quotation List, an Appendix to the Exchange and Clearing Rules of Nasdaq Derivatives Markets.

Regarding the flexible derivatives, the Member Trader can tailor the same parameters as for the regular Futures and Forwards on single stocks.

Cash settled Gross Return Futures are available as flexible instruments.

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