

OBX Futures

- ✓ most **liquid** product on Oslo Børs
- ✓ based on the **OBX index**, which comprises the 25 most liquid stocks on Oslo Børs, and reflects the general stock market development at Oslo Børs

Advantages of OBX Futures

Liquidity

The most liquid derivative product at Oslo Børs, with several market makers obliged to continuously quote prices.

Diversification

OBX futures offer an easy way to gain diversified exposure to the Norwegian market, without having to invest in several stocks.

Gearing

When opening a position you only post collateral as a margin of the total exposure of the investment. This leads to a gearing effect, meaning it is possible to achieve a greater return with a lower initial investment.

Flexibility

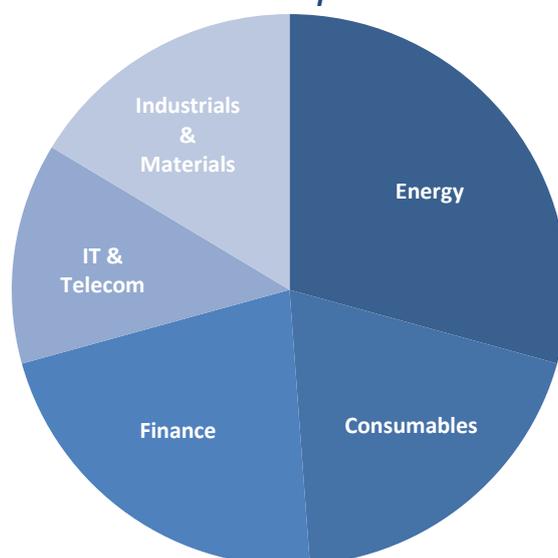
As easy to gain short - as it is to gain long exposure. In periods of uncertainty you may, for example, choose to secure an equity portfolio by selling OBX futures.

Safety

Daily margining and central counterparty clearing eliminates counterparty risk.

OBX futures can be seen as a "market stock", where you buy if you think the stock market will rise, and sell if you think the market will fall.

OBX composition



As of. 01.01.2018

OBX Futures

Contract Value	OBX x NOK 100	Series Terms	1, 2, 3, 6, 9 and 12 months
Contract Type	Futures	Expiry	3 rd Friday of expiry month
Daily Settlement	Cash daily mark-to-market	Dividend adjustment	Adjusted for all dividends
Final Settlement	OBX VWAP at expiration	Market Place	Oslo Børs Derivatives
Trading hours	09:00 – 16:20 CET	Trading system	SOLA® for derivatives

For further information, contact Oslo Børs Derivatives at +47 22 34 19 80 or mops@oslobors.no.

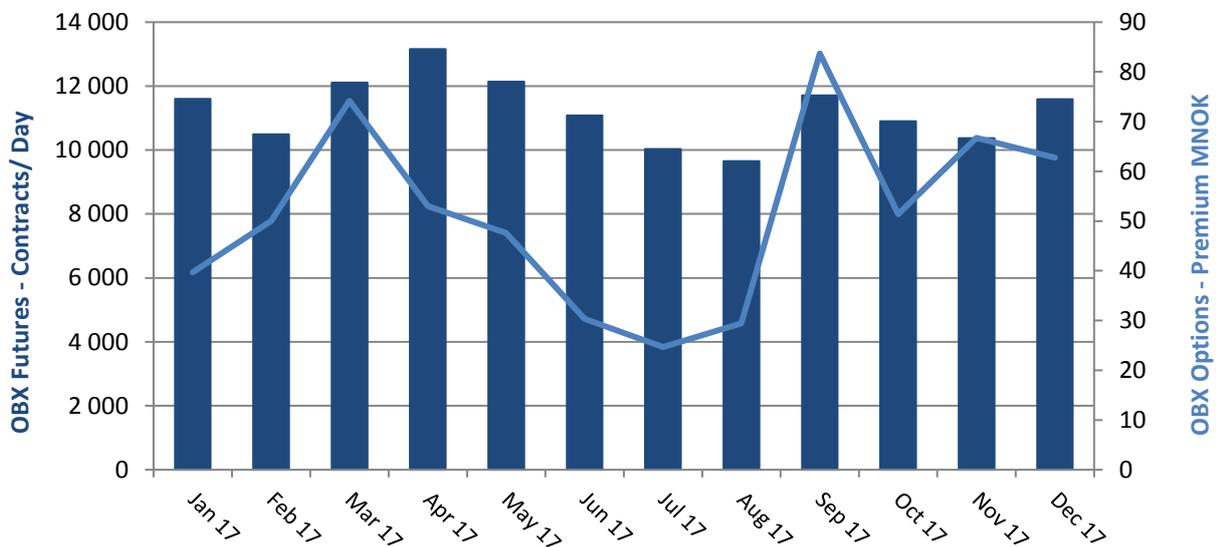
OBX Index Facts

OBX Total Return Index Bloomberg/ Thomson Reuters Code: OBX.IND / .OBX ISIN: NO 000 0000021

The OBX index consists of the **25 most liquid stocks on Oslo Børs**, based on a six month turnover rating. OBX is a semi-annually revised free float adjusted total return index (dividend adjusted) with composition changes and cappings implemented the first trading-day after the third Friday in June and December.

The index is capped to comply with UCITS III, and the total weight of non-EEA companies is limited to a maximum of 10%. In the period between the composition review dates the number of shares for each constituent is fixed with exception of special cappings and continuous adjustments for various corporate actions.

The OBX Index is a tradable index with exchange traded **futures** and **options**, and also **ETFs** and **ETNs** available.



OBX Futures Basics

The OBX future contract is based on the **OBX index**.

A **future** contract is an agreement to buy or sell an underlying (OBX index) at a certain time in the future (expiry), where both buyer and seller are obliged to make the transaction whole. One may however choose to close out the position at any given time in the contract period by counteracting the initial trade. This is done by selling (buying) as many contracts as initially bought (sold)

Expiry is on the third Friday of every month, and it is possible to trade contracts with as much as one year until expiry.

Contract size is 100, thus an OBX future trading at NOK 600 has a value of $600 * 100 = \text{NOK } 60,000$

Theoretical future value = index value + cost of carry

An OBX future will in theory trade at a premium to the index value, and the premium will be higher on the longer maturities.

The market price may be higher than the theoretical value if there is buy pressure in the market, or lower when there are more sellers. The OBX Future with shortest term to expiration generally has the smallest spread and best liquidity

Positions that run to expiry will be settled based upon the volume weighted average price (VWAP) of the OBX index on expiration day. If one wishes to maintain a position past expiry it may be rolled to a future contract with a later expiry. It is favorable to roll positions prior to the expiration day of the contract in question.