

# Equity Index Dividend Futures and Options

## EFFICIENT TOOLS TO HEDGE OR EXPRESS A VIEW ON U.S. STOCK DIVIDENDS

Dividend futures provide market participants with efficient tools to hedge or express a view on the U.S. dividend market, regardless of the price movement of benchmark indices.

Dividend Index Futures offer a unique opportunity to hedge the total returns of the S&P 500, Nasdaq-100, and Russell 2000 Indices through the price index futures and the dividend futures, all under the same roof of CME Clearing with CME Globex as the common market access point.

### Key features include:

- **Flexibility:** Choose from quarterly or annual contracts to fine-tune dividend market exposure.
- **Ease of access:** Trade markets nearly 24 hours a day on CME Globex from anywhere in the world, with follow-the-sun regional support. It is also block trade eligible, allowing larger transactions to be privately negotiated.
- **Security of central clearing:** Enjoy counterparty risk mitigation through CME Clearing.

### About the Quarterly Contract

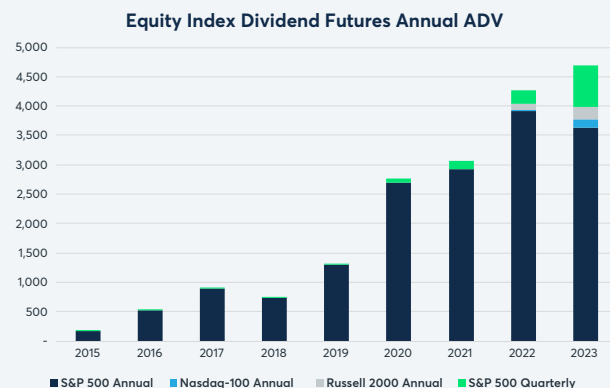
The S&P 500 Quarterly Dividend Index futures contract (ticker: SDI) is \$1,000 x the S&P 500 Dividend Points Index with the nearest five months in the March Quarterly Cycle (Mar, Jun, Sep, Dec) available for trading.

The S&P 500 Dividend Points Index (SPXDIV) tracks the accumulation of dividends on a quarterly basis and resets to zero at the end of each period. The observation period is the prior contract expiration date plus one trading day through the contract's expiration. For example, dividend exposure for the June 2016 quarterly contract would run from the day after March 2016 expiration through June 2016 expiration.

### S&P 500 Annual Dividend Futures

#### Volume and open interest continue to grow

Q1 2022 saw record quarterly average daily volume of over 5,000 contracts traded.



As of Dec 31, 2023

### About the Annual Contracts

The Annual S&P 500, Nasdaq-100, and Russell 2000 Dividend Indices track the accumulation of dividends on an annual basis and resets to zero after the expiration of the leading December contract. The observation period is the prior December contract expiration date plus one trading day, through the contract's subsequent December expiration date.

Options are here: Options on S&P 500 Annual Dividend Index futures are now available for trading, providing market participants more opportunities to manage U.S. dividend risk and manage dividend volatility.

## CONTRACT SPECIFICATIONS

	S&P 500 QUARTERLY DIVIDEND INDEX FUTURES	S&P 500 ANNUAL DIVIDEND INDEX FUTURES	RUSSELL 2000 ANNUAL DIVIDEND INDEX FUTURES	NASDAQ-100 ANNUAL DIVIDEND INDEX FUTURES
<b>PRODUCT CODE</b>	SDI	SDA	RDA	NDA
<b>CONTRACT UNIT</b>	\$1,000 x S&P 500 Dividend Points Index	\$250 x S&P 500 Dividend Points Index (Annual)	\$500 x Russell 2000 Annual Dividends Index	\$100 x Nasdaq-100 Annual Dividend Point Index
<b>UNDERLYING INDEX</b>	SPXDIV	SPXDIVAN	R2000DIV	NDXDIV
<b>MINIMUM PRICE FLUCTUATION</b>	Outright: 0.01 index points = \$10	Outright: 0.05 index points = \$12.50	Outright: 0.05 index points = \$25.00	Outright: 0.10 index points = \$10.00
	Calendar Spread: 0.0005 index points = \$0.50	Calendar Spread: 0.025 index points = \$6.25	Calendar Spread: 0.01 index points = \$5.00	Calendar Spread: 0.05 index points = \$5.00
<b>TRADING HOURS</b>	<b>CME Globex:</b> Sunday 6:00 p.m. - Friday - 5:00 p.m. ET (5:00 p.m. - 4:00 p.m. CT) with a daily maintenance period from 5:00 p.m. - 6:00 p.m. ET (4:00 p.m. - 5:00 p.m. CT) <b>CME ClearPort:</b> Sunday 6:00 p.m. - Friday 6:45 p.m. ET (Sun 5:00 - Fri 5:45 p.m. CT) with no reporting Monday - Thursday 6:45 p.m. - 7:00 p.m.			
<b>LISTED CONTRACTS</b>	Nearest five months in the March Quarterly Cycle (Mar, Jun, Sep, Dec)	Nearest 11 Decembers	Annual contracts (Dec) listed for 6 consecutive years	
<b>TERMINATION OF TRADING</b>	8:30 a.m. CT on the third Friday of the contract month	8:30 a.m. CT on the third Friday of December of the contract year		
<b>SETTLEMENT PROCEDURES</b>	Cash Settled. Cash Settlement in USD based on the S&P 500 Dividend Point Index on the 3rd Friday of the Contract Month	Cash Settled. Cash Settlement in USD based on the S&P 500 Dividend Point Annual Index on the 3rd Friday of December of the Contract Year	Cash Settled. Cash Settlement in USD based on the Russell 2000 Annual Dividend Index on the 3rd Friday of the Contract Month	Cash Settled. Cash Settlement in USD based on the Nasdaq-100 Dividend Point Index on the 3rd Friday of the Contract Month
<b>OPTIONS</b>	-	Yes	-	-
<b>BLOCK MINIMUM</b>	<a href="#">Block Table</a>			
<b>PRICE QUOTATION</b>	U.S. dollars and cents per index point			

The following persons are prohibited from trading in contracts (each, a "prohibited person"):

- i) any person who is a director or officer, subject to Section 16 of the Securities Exchange Act of 1934 as amended from time to time, of a corporation that is a constituent of the S&P 500® index, and
- ii) any person who is in possession of material non-public information relating to ordinary cash dividends of a constituent corporation of the S&P 500® index, including (but not limited to) information concerning the timing or amount of any ordinary cash dividend.

For more information on dividend index futures, please visit [cmegroup.com/dividendfutures](https://cmegroup.com/dividendfutures)

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[cmegroup.com](http://cmegroup.com)

Neither futures trading nor swaps trading are suitable for all investors, and each involves the risk of loss. Swaps trading should only be undertaken by investors who are Eligible Contract Participants (ECPs) within the meaning of Section 1a(18) of the Commodity Exchange Act. Futures and swaps each are leveraged investments and, because only a percentage of a contract's value is required to trade, it is possible to lose more than the amount of money deposited for either a futures or swaps position. Therefore, traders should only use funds that they can afford to lose without affecting their lifestyles and only a portion of those funds should be devoted to any one trade because traders cannot expect to profit on every trade.

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