

Nairobi, June 18, 2021

NSE LAUNCHES MINI NSE 25 INDEX FUTURES CONTRACTS FOR THE DERIVATIVES MARKET

The NSE Derivatives Market (NEXT) has formally launched the Mini NSE 25 index futures contracts. The Mini NSE 25 index futures contract will appeal to retail investors due to its lower initial margin requirements. This will go a long way in increasing liquidity and encouraging broad exposure to the Kenyan equities market through the equity index futures contracts.

The initial margin requirements for the mini index are as follows:

Expiry (Maturity)	16-Sep-21	16-Dec-21	17-Mar-22	16-Jun-22
Margin Requirements (KES)	4,500	4,700	4,900	5,100

Equity Index Futures are derivative instruments that give investors exposure to price movements on an underlying Index. Market participants can profit from the price movements of a basket of equities without trading the individual constituents. An index futures contract gives investors the ability to buy or sell an underlying listed financial instrument at a fixed price on a future date. These products are cash settled and easily accessible via NSE Derivatives Trading Members.

A list of approved Trading Members is available on the NEXT website.

<https://www.nse.co.ke/next-derivatives-membership/accredited-members.html>

The NSE 25 Index ground rules are available on the NSE website.

<https://www.nse.co.ke/regulatory-framework/regulatory-framework/rules.html>

-ENDS-

Notes to the Editor:

About Nairobi Securities Exchange

The Nairobi Securities Exchange (NSE) is the principal securities exchange in Kenya. Besides equity securities, the NSE offers a world class platform for the issuance and trading of debt securities. The NSE is a founder member of the African Securities Exchanges Association (ASEA) and the East African Securities Exchanges Association (EASEA). It is a full member of the Association of Futures Markets (AFM) and the World Federation of Exchanges (WFE), and a partner Exchange in the United Nations Sustainable Stock Exchanges Initiative (SSE).

About NEXT (NSE Derivatives Market)

NEXT is the Nairobi Securities Exchange (NSE) derivatives market that facilitates the trading of futures contracts in the Kenyan market. NEXT is regulated by the Capital Markets Authority (CMA).

FOR MORE INFORMATION PLEASE CONTACT:

Ms. Waithera Mwai

Senior Manager, Corporate Affairs and Sustainability

Nairobi Securities Exchange PLC

Tel: +254 (020) 283 1000

Email: wmwai@nse.co.ke / CorporateAffairs@NSE.CO.KE

Nairobi Securities Exchange

55 Westlands Road, P O Box 43633

Nairobi, 00100 KENYA

www.nse.co.ke

    NSEKenya