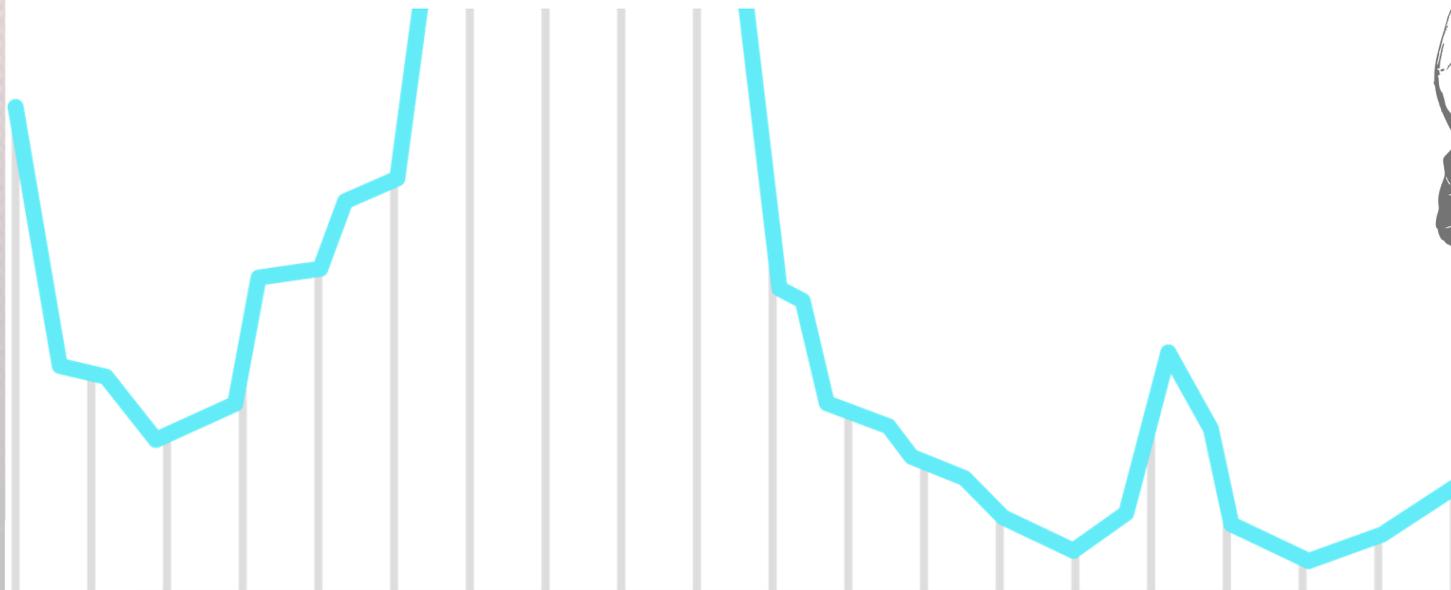


Index Futures

**NASDAQ-100**

**INDEX FUTURES**



# WHAT IS NASDAQ-100 INDEX?

Nasdaq-100 index is the **largest 100 stocks** trading on the Nasdaq stock exchange.

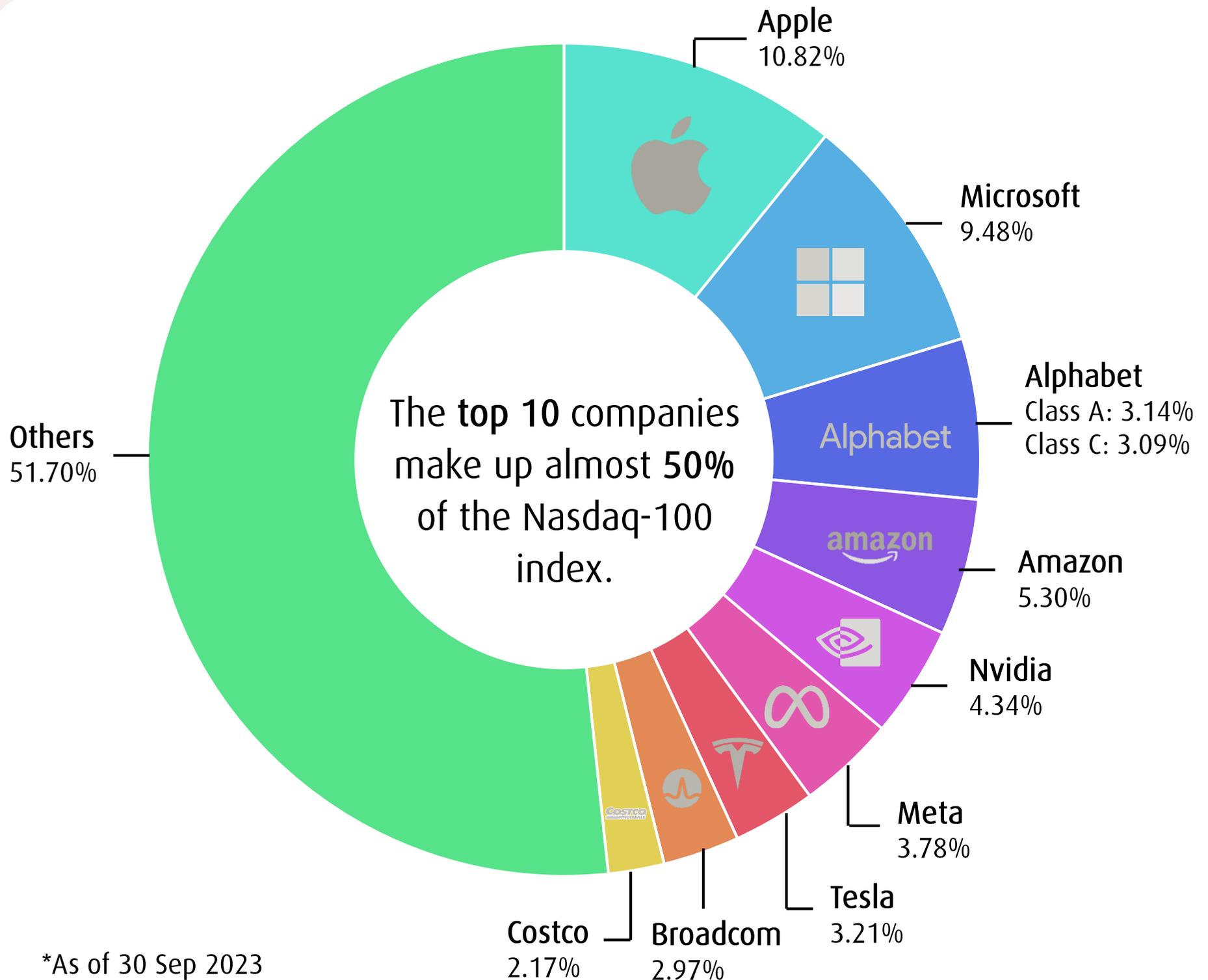
It is the world's **first** electronic stock market that was founded in 1971 by the National Association of Securities Dealers (NASD).

About 50% of the index is weighted towards the **technology** sector.



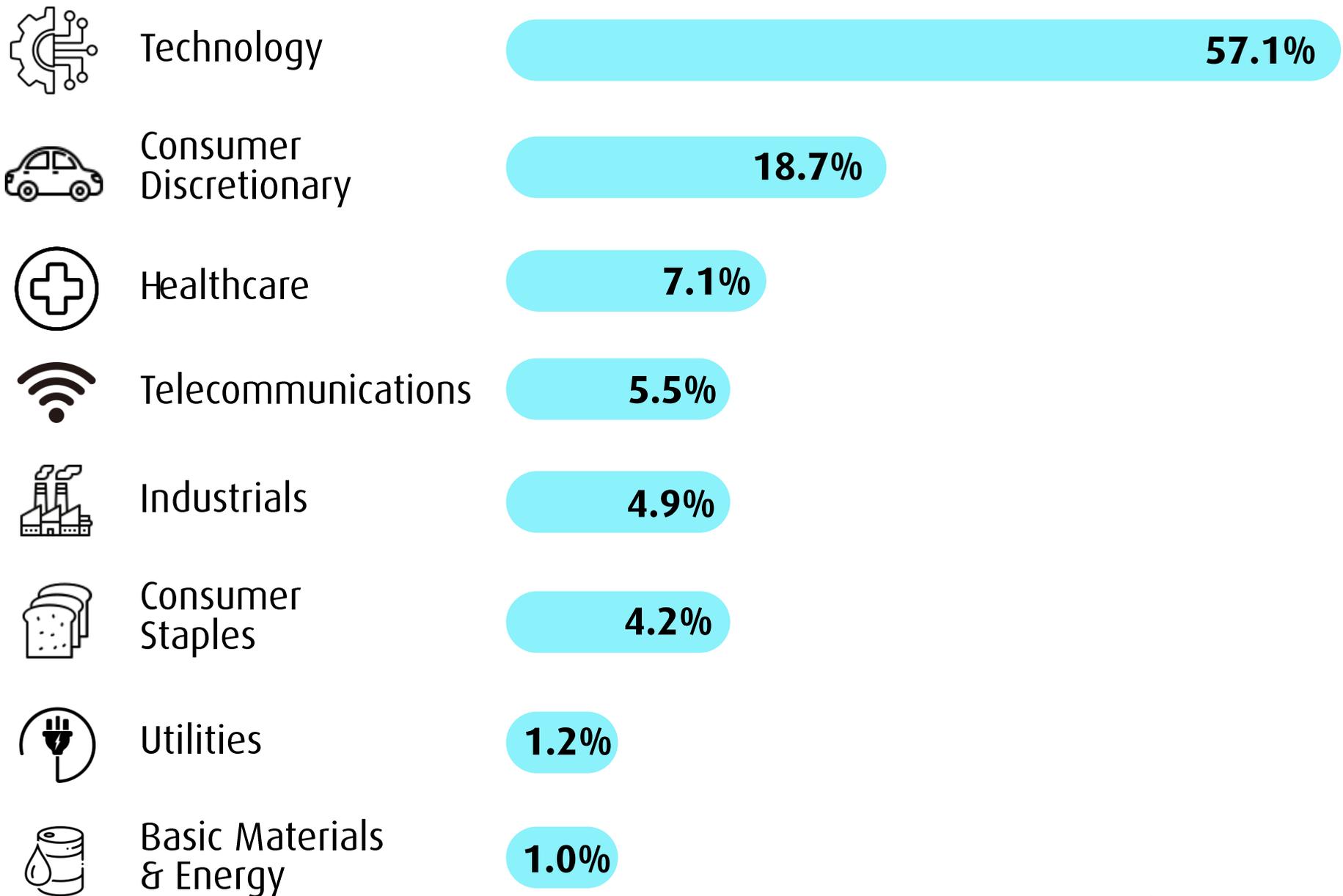
It is one of the **most followed** indices in the U.S. financial market.

# TOP 10 COMPANIES WITH THE HIGHEST WEIGHTAGE\*



\*As of 30 Sep 2023

# INDUSTRIES IN NASDAQ-100 INDEX\*

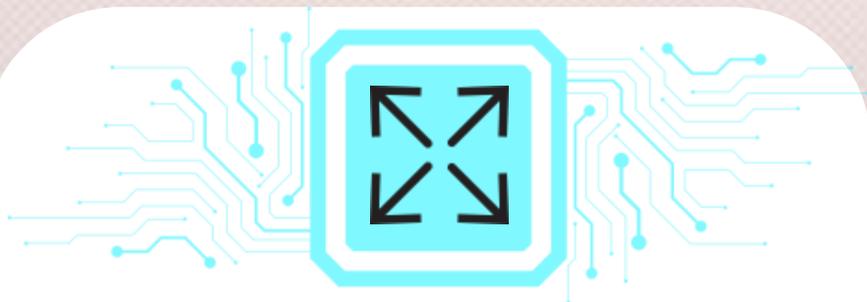


\*As of 30 Sep 2023

# WHAT IS NASDAQ-100 FUTURES?

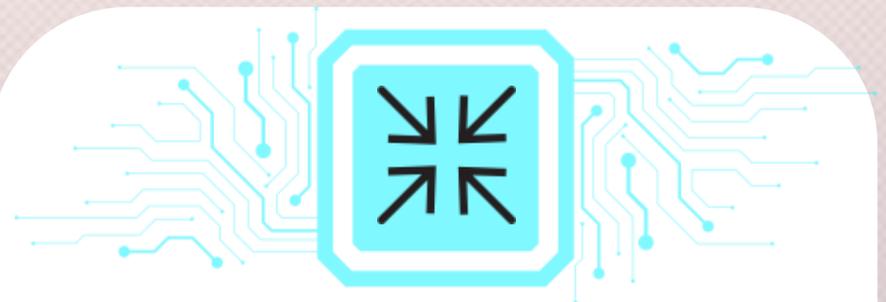
Nasdaq-100 Futures is a Futures contract traded on CME Exchange which underlying is the Nasdaq index.

The Nasdaq-100 Futures is available in two different contract sizes: E-mini and Micro E-mini.



## **E-mini Nasdaq-100 Futures**

A standard normal-sized contract that provides greater leverage to traders.



## **Micro E-mini Nasdaq-100 Futures**

10x smaller than the normal-sized contracts for more cost-efficient trading.

# CONTRACT SPECIFICATIONS

	<b>E-mini Nasdaq-100</b>	<b>Micro E-mini Nasdaq-100</b>
<b>Contract Code</b>	NQ	MNQ
<b>Underlying Instrument</b>	Nasdaq-100 Index	Nasdaq-100 Index
<b>Contract Size</b>	USD 20 x Nasdaq-100 Index	USD 2 x Nasdaq-100 Index
<b>Minimum Fluctuation</b>	0.25 pt = USD 5	0.25 pt = USD 0.5
<b>Settlement Method</b>	Cash settlement	Cash settlement
<b>Contract Month</b>	Quarterly contracts (Mar, Jun, Sep, Dec) listed for 6 consecutive quarters and 4 additional December contract months	Quarterly contracts (Mar, Jun, Sep, Dec) listed for 5 consecutive quarters
<b>Trading Hours</b>	21:30 - 04:00 06:00 - 05:00 (Globex)	21:30 - 04:00 06:00 - 05:00 (Globex)

# TRADING EXAMPLE 1

## E-mini Nasdaq-100 (NQ)

### Bullish Market



1 SEP 2023

You think the price of NQ will go up and BUY 1 lot @17011.75



20 SEP 2023

You close your position and SELL 1 lot @17060.25

Gross Profit  
= Price Difference x Contract Size  
= (17060.25 - 17011.75) x USD 20  
= USD 970

### Bearish Market



3 OCT 2023

You think the price of NQ will go down and SELL 1 lot @ 17032.50



23 OCT 2023

You close your position and BUY 1 lot @17002.25

Gross Profit  
= Price Difference x Contract Size  
= (17032.50 - 17002.25) x USD 20  
= USD 605

# TRADING EXAMPLE 2

## Micro E-mini Nasdaq-100 (MNQ)

### Bullish Market



1 SEP 2023

You think the price of MNQ will go up and BUY 1 lot @17011.75



20 SEP 2023

You close your position and SELL 1 lot @17060.25

Gross Profit  
= Price Difference x Contract Size  
= (17060.25 - 17011.75) x USD 2  
= USD 97

### Bearish Market



3 OCT 2023

You think the price of MNQ will go down and SELL 1 lot @ 17032.50



23 OCT 2023

You close your position and BUY 1 lot @17002.25

Gross Profit  
= Price Difference x Contract Size  
= (17032.50 - 17002.25) x USD 2  
= USD 60.5

# FACTORS AFFECTING PRICES OF NASDAQ

## Corporate Earnings

When one of the heavyweights reports a better EPS (earnings per share), the index and stock prices will move higher.



## Economic Data



A strong GDP performance indicates a healthy economy, which in turn increases corporate profits and stock market returns.

## Interest Rate

The companies enjoy a lower cost of borrowing when the government cuts the interest rate, thus increasing the company performance and stock prices.



# FACTORS AFFECTING PRICES OF NASDAQ

## Global Event

COVID-19 pandemic that happened in the U.S. caused a laggard in the local companies' performance, thus decreasing the stock prices.



## Geopolitics



Trade war will affect the NASDAQ prices. When U.S. banned exporting certain microchips to China, the technology firm Nvidia was impacted and its stock prices dropped.

## U.S Currency Movement

A strengthening of U.S. currency will attract foreign investors, which in turn create a greater demand for U.S. stocks.



# OVERVIEW IN 2023



**A) Feb – Mar 2023 (12880.98 - 11830.09, - 8%)**  
 The index futures dropped 8% when the Fed increased the interest rate from 4.50% to 4.75% in February 2023 after the U.S. banking crisis.

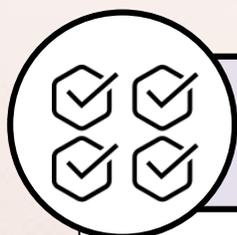
**B) May – Jul 2023 (12938.50 - 15932.05, 23%)**  
 The market showed an upward trend due to strong corporate earning reports from giant technology companies.

**C) Aug 2023 (15851.75 - 14617.00, - 7.68%)**  
 The U.S interest rate hike from 5.25% to 5.50% along with the credit rating downgrade by Fitch from "AAA" to "AA+" caused the market to retreat.

**D) Oct 2023 (15391.50 - 14612.75, - 7.98%)**  
 The market went bearish when the U.S. announced to limit on selling advanced artificial intelligence chips to China.

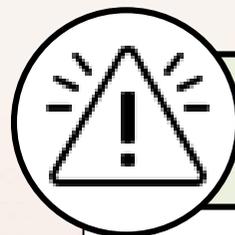
**E) Nov – Dec 2023 (14354.75 - 17310.75, 19.26%)**  
 The U.S. interest rate was maintained at 5.5% and the market expected no further rate hikes until March 2024, turning the market trend upward.

# WHY YOU SHOULD TRADE NASDAQ-100 FUTURES?



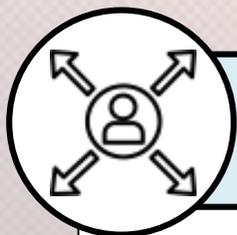
## All-in-one

An all-in-one solution to trade 100 non-financial U.S. companies within a single transaction.



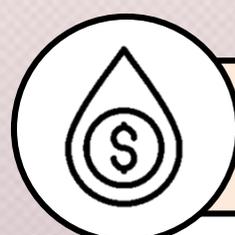
## Risk Control

Used by fund managers to hedge their investment portfolios and control financial risk.



## Exposure

Expose to technology sector and other industries like consumer discretionary and healthcare.



## Liquidity

A highly liquid contract that provides more flexibility in trading.



Mezzanine Floor, Block B, Plaza Zurich, No. 12, Jalan Gelenggang, Bukit Damansara, 50490 Kuala Lumpur



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