

STOXX Factor Index Futures

Factor investment has become one of the most popular index segments. The approach involves targeting specific drivers of return, which differ from traditional beta. The STOXX® Factor Index suite sets a new high-quality industry standard in this growing market segment.

EASY, TRANSPARENT, AND COST-EFFICIENT ALTERNATIVE

Compared to trading the underlying securities or using the OTC market for tactical management, futures offer an easy, transparent and cost-efficient way of adjusting positions.

FACTOR-BASED OFFERING ACROSS REGIONS

The offering is based on Qontigo's STOXX® Industry Neutral Ax Factor Index suite and comprises futures based on the five standard factors: Value, Momentum, Low Risk, Quality and Size. An additional Multi-Factor Index Future, which combines the five exposures in one product, is also included. The futures cover factors in both European and U.S. markets, represented by the STOXX Europe 600 and the STOXX USA 500 universes.

WHY THESE FIVE FACTORS?

The five factors performed consistently over time and across regions, with relatively low correlations. Meanwhile, academics and practitioners have broadly accepted the factors as independent drivers of return. Furthermore, they can be constructed directly using Axioma's robust risk models that facilitate the decomposition of security risk and return using a factor lens.

What are the key benefits?



State-of-the-art index design

The factor indices have been created utilizing Axioma's expertise, factor definitions and optimizer. Constraints are incorporated to ensure tradability (e.g., number of constituents, tracking error, liquidity, maximum turnover). Quarterly rebalancing coincides with that of the parent index (after close on the third Friday).



Global offering

The product range offers consistent methodology and factor definitions across regions, allowing investors to manage global factor portfolios.



Includes all standard factors in cash equity space

All the standard factors, Value, Momentum, Low Risk, Quality and Size are included. A Multi-Factor based on an aggregate signal combining the five factors, completes the offering.



STOXX Factor Index Futures – Contract specifications

Futures on STOXX® Europe 600 Factor indices						
	Low Risk	Multi-Factor	Momentum	Quality	Size	Value
Eurex product code	FAXL	FAXA	FAXM	FAXQ	FAXS	FAXV
Index type	Net total return					
Bloomberg product code	CCWA <Index>	CCYA <Index>	CDSA <Index>	CDWA <Index>	CDYA <Index>	CEAA <Index>
Bloomberg index code	SAXPNLRR <Index>	SAXPNMFR <Index>	SAXPNMOR <Index>	SAXPNQUR <Index>	SAXPNSZR <Index>	SAXPNVAR <Index>
Reuters product code	.FAXL	.FAXA	.FAXM	.FAXQ	FAXS	.FAXV
Contract months/maturities	The next three quarterly months of the cycle March, June, September and December (9 months).					
Multiplier	100	100	100	100	100	100
Tick size	0.05	0.05	0.05	0.05	0.05	0.05
Tick value, in currency	5 EUR	5 EUR	5 EUR	5 EUR	5 EUR	5 EUR
Minimum Block Trade Size, in lots	100	100	100	100	100	100
Contract Value, in currency*	~22,000 EUR	~27,000 EUR	~32,000 EUR	~26,000 EUR	~25,000 EUR	~20,000 EUR

* April 2021

Futures on STOXX® USA 500 Factor indices						
	Low Risk	Multi-Factor	Momentum	Quality	Size	Value
Eurex product code	FUAL	FUAA	FUAM	FUAQ	FUAS	FUAV
Index type	Net total return					
Bloomberg product code	CEBA <Index>	CEIA <Index>	CEOA <Index>	CEWA <Index>	CEYA <Index>	CFCA <Index>
Bloomberg index code	SA5UNLRV <Index>	SA5UNMFV <Index>	SA5UNMOV <Index>	SA5UNQUV <Index>	SA5UNSZV <Index>	SA5UNVAV <Index>
Reuters product code	.FUAL	.FUAA	.FUAM	.FUAQ	.FUAS	.FUAV
Contract months/maturities	The next three quarterly months of the cycle March, June, September and December (9 months).					
Multiplier	100	100	100	100	100	100
Tick size	0.05	0.05	0.05	0.05	0.05	0.05
Tick value, in currency	5 USD	5 USD	5 USD	5 USD	5 USD	5 USD
Minimum Block Trade Size, in lots	100	100	100	100	100	100
Contract Value, in currency*	~26,000 USD	~32,000 USD	~40,000 USD	~36,000 USD	~33,000 USD	~27,000 USD

* April 2021

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