

DFM Equity Futures Factsheet

Dubai Financial Market's Equity Futures provide new impetus to Dubai's leading position as a dynamic capital markets hub, enabling investors to diversify and hedge their portfolios and access leverage.

Equity Futures is a financial contract with a value agreed upon by two parties. These contracts derive their value from the value of the underlying asset, and vary based on the value of that underlying asset.

Benefits



Leverage: Leverage is a key feature of equity futures. The initial payment (called initial margin) that an investor pays is only 10% to 30% of the value of the contract.



Profit when price falls as well as rises: Selling in advance (shorting) and buying back allows an investor to profit from a stock that is going down in price. Buying and then selling later allows an investor to profit from a stock that is going up.



Standardisation: Futures contracts are always in a standardised form.



Trading & Arbitrage: Investors can benefit from the out-performance of one stock price over another through pair trading, by going long on one stock and short on another stock through futures.



Hedging: Allows portfolio managers and investors to hedge their existing market exposure, either increasing or decreasing their exposure to volatility of the underlying equity.



Cost Effective: Futures fees can be lower than fees for trading equities.

Single Stock Futures

Underlying Shares	Contract Symbol	Underlying Shares	Contract Symbol
Emaar Properties PJSC	EMAAR	Air Arabia PJSC	AIRARB
Dubai Islamic Bank	DIB	Emirates Integrated Telecommunications Company PJSC	DU
Emirates NBD PJSC	ENBD	Dubai Investments PJSC	DIC
Emaar Development PJSC	EMRDEV	Dubai Financial Market PJSC	DFM
Emaar Malls PJSC	EMRMAL	Shuaa Capital PSC	SHUAA
ARAMEX PJSC	ARMX		

Contract Specifications

Underlying	Security traded on UAE stocks exchanges as approved by the Dubai Financial Market and published by way of notice.
Currency	Same as trading currency of underlying security in primary market i.e AED
Contract Size	100 underlying shares. This may change in specific cases of corporate action adjustments. Any changes will be published by way of Notice
Contract Months	1 month, 2 months and 3 months expiry
Minimum Price Movement (tick size)	0.001
Daily price limits	20% up and 15% down from previous closing price. Dubai Financial Market reserves the right to redefine and modify the price limit safeguard ranges intraday depending on the market situation.
Future Type	Daily settled with cash settlement upon expiration
Settlement Type	Cash Settled
Daily Settlement Price	Close Price of the Futures Contract or Theoretical Price derived from Underlying Security as determined by Dubai Clear from time to time
Expiration Settlement Price	Underlying Security Close Price
Last Trading Day /Expiry Day	3rd Thursday of the expiry month. In the event of the 3rd Thursday not being a Business Day, the Last Trading Day shall normally be the Business Day prior the 3rd Thursday.
Settlement Day	Business Day following the Expiry Day
Listing of New Contract Month	2nd Thursday of the expiry month i.e. Thursday prior to Expiry Day
Trading Hours	Sunday - Thursday, 10:00 am - 3:00 pm. Please refer to Trading Rules published on Dubai Financial Market website for further details on trading phases
Initial Margin	As published by Dubai Clear from time to time
Daily MTM Settlement	Calculated based on Daily Settlement Price
Expiry MTM Settlement	Calculated based on Final Settlement Price
Negotiated Deal	Allowed as per the DFM procedure for Derivatives Block Trade