

Over-the-Counter (OTC) CFD Transactions

(Purpose)

These statistics publish figures on Over-the-Counter (OTC) CFD transactions (limited to securities-related ones) conducted by JSDA members with the aim of improving the transparency of the market and providing useful information for market participants by enabling them to statistically grasp the scale of such transactions.

(Definitions)

“CFD” is an acronym for “contract for difference,” a net settlement transaction depositing a small margin and using securities or securities indexes as reference assets / indexes. The contract is settled based on the difference between the current value and value at contract time. The OTC CFD transactions shown in these statistics are those defined in the JSDA’s self-regulatory rule, “Regulations Concerning CFD Transactions” (hereinafter referred to as “CFD Regulations”). Of the transactions that fall under all the items from (1) to (4) below, they include those conducted between parties off exchanges.

- (1) Forward or future transactions stipulated in the FIEA.
- (2) Transactions conducted between JSDA Members and individual investors.
- (3) Transactions are settled as the difference between contract and settlement price and there is no transfer or delivery of financial instruments.
- (4) Transactions that are not regular future transactions with contract months traded on exchanges (e.g. Nikkei 225 futures, TOPIX futures, etc.).

* These definitions have been simplified for easier understanding. For more detailed definitions, please see the CFD Regulations.

(Data Source)

The data on these statistics are gathered from JSDA member reports on OTC CFD transactions (including intermediations, etc.) during the periods from April to September and from October to March of the following year.

* Special Members are only requested to report on transactions conducted in respect of their registered financial institution business.

(Notes for Users)

- Based on the CFD Regulations, the number and amounts of transactions are separated and aggregated into the following four categories: (i) Individual stocks, (ii) Stock indexes (including stock-index-linked ETFs), (iii) Bonds, and (iv) Other securities (OTC CFD transactions other than (i) to (iii)).
- Transaction amounts are on a notional principal basis (contract price x transaction unit x volume).
- Transaction balances are the gross values of long and short positions.
- Transaction amounts and outstanding balances of margins, etc. are expressed in units of millions of yen.

- Regarding foreign currency-denominated transactions, the balances are converted into Japanese yen using the current exchange rate on the reporting date (end of March or September), and transaction amounts are done using an appropriate rate for each month.

The exchange rate for conversion is based on the rate defined in Article 35, Item 2 of the Ordinance Concerning the Reporting of Foreign Exchange Transactions (so-called Ministerial Ordinance Rate) or the in-house rate (book rate) used by a JSDA member for practical business purposes, if it is close to the market rate.

- Since transactions subject to aggregation are related to securities (excluding deemed securities), commodity CFDs are excluded from aggregation.
- Since only OTC CFD transactions are subject to aggregation, exchange-traded CFDs are excluded from aggregation.

(Publication Timing)

These statistics are published, in principle, on the last business day of April and October on the JSDA's website.

These explanatory materials are intended to provide assistance to non-professionals using the statistical data provided by the JSDA in understanding the specialized vocabulary used in statistics. The definitions and other explanations used are not necessarily based on laws or other regulations.