

Nikkei to Launch Nikkei 225 Currency Hedged Indexes

Nikkei Inc. launched the Nikkei 225 Currency Hedged Indexes on December 8, 2014 and added the indexes to the Strategy Index Series on the Nikkei Stock Average (Nikkei 225). The new indexes measure the return of the Nikkei 225 achieved by fully hedging its currency risk for investors outside Japan, i.e. non-Yen investors. These indexes represent the mixed positions of the Nikkei 225 investment in other currencies than JPY, and the relevant currency hedged transactions.

Suppose that the Nikkei 225 increased 10% while the exchange rate of Yen against a home currency of an investor depreciates 10%. The return from such investment is almost zero for such non-Yen investor offset by the loss from the yen long position. If the currency risk was eliminated, the investor could receive 10% return minus the currency hedge cost. The new indexes are designed to indicate the performance of such currency risk hedged investments.

The following four indexes are calculated and published as the Nikkei 225 Currency Hedged Indexes. Those currency hedged indexes are based on the Nikkei 225 and Nikkei 225 Total Return Index, and the targeted currencies are USD and Euro for now.

- Nikkei 225 USD Hedged Index
- Nikkei 225 EUR Hedged Index
- Nikkei 225 Total Return USD Hedged Index
- Nikkei 225 Total Return EUR Hedged Index

The new indexes use currency rate on the day at 4pm, London Time. The indexes are calculated on an end-of-day basis by 2pm, Tokyo Time on the next business day and published on the Nikkei index official website at <http://indexes.nikkei.co.jp/en/>. For more detail regarding the Nikkei 225 Currency Hedged Indexes, please refer to the [Index Guidebook](#) on the website.

Nikkei calculated each index value retroactively to September 30, 2004. "Nikkei Indexes", the Nikkei index official website carries the daily index figures for the past 3 years and the monthly for the 10 years. The subscribers of "Premium Data Package", a paid data service are able to access the daily index data for the whole period since the end of September 2004. Please click [here](#) to know more about the "Premium Data Package".
