

## Methodology of TAIEX Daily Return Leveraged 2X Index

### I. Profile

Index Name: TAIEX Daily Return Leveraged 2X Index

Abbreviation: TAIEX Leveraged 2X Index

Base Date: 2015/8/31

Base Value: 10,000

### II. Introduction

TAIEX Daily Return Leveraged 2X Index (TAIEX Leveraged 2X Index) aims to reflect a multiple (of 2) of the daily performance of the underlying reference index, the Taiwan Stock Exchange Capitalization Weighted Stock Index (TAIEX).

### III. Calculation Method

$$LIDX_t = LIDX_s \times \left\{ 1 + \left[ L \times \left( \frac{TRN_t}{TRN_s} - 1 \right) \right] \right\}$$

$LIDX_t$ : Current value of TAIEX Leveraged 2X Index

$LIDX_s$ : Closing value of TAIEX Leveraged 2X Index at the previous trading day

L: Multiple of 2

$TRN_t$ : Current value of underlying reference index

$TRN_s$ : Closing value of underlying reference index at the previous trading day

### IV. Frequency and time of calculation

TAIEX Leveraged 2X Index will be calculated intra-day on a 5 second basis.

### V. Reverse split

If the closing value of TAIEX Leveraged 2X Index is below 100 on trading day T, the reverse split will be implemented from the open on T+3. The rebased index level is determined by the closing index value on T+2 scaled by 100.