

Methodology of Electronics Daily Return Leveraged 2X Index

I. Profile

Index Name: Electronics Daily Return Leveraged 2X Index

Abbreviation: Electronics Leveraged 2X Index

Base Date: 2015/5/11

Base Value: 10,000

II. Introduction

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

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 Electronics Leveraged 2X Index

LIDX_s: Closing value of Electronics 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

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

V. Reverse split

If the closing value of Electronics 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.