

## Eurex Circular 044/19

# Equity derivatives: Introduction of one Single Stock Future, one Single Stock Dividend Future, two equity options and two equity options with weekly expiration on Novartis AG

### Summary

The Management Board of Eurex Deutschland took the following decision with effect from **17 April 2019**:

- Introduction of one Single Stock Future pursuant to Annex A of the attachment
- Introduction of one Single Stock Dividend Future pursuant to Annex D of the attachment
- Introduction of two equity options pursuant to Annex B of the attachment
- Introduction of two equity options with weekly expiration pursuant to Annex B of the attachment

This circular provides information on the introduction of the new products and the updated sections of the relevant Rules and Regulations of Eurex Deutschland.

### Attachments:

Updated sections of Annexes A, B and D of the Contract Specifications for Futures Contracts and Options Contracts at Eurex Deutschland

**Date:** 12 April 2019

**Recipients:**

All Trading Participants of Eurex Deutschland and Vendors

**Authorized by:**

Michael Peters

**Target group:**

- All departments

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## Single Stock Futures: Introduction of one Single Stock Future; Single Stock Dividend Futures: Introduction of one Single Stock Dividend Future

### 1. Product overview

Eurex product code	Single Stock Future/Single Stock Dividend Future	Underlying ISIN	Eurex group ID	Product currency	Product ISIN
NOVG	NOVARTIS AG	CH0012005267	CH01	CHF	DE000A2X16G1
N3OV	NOVARTIS AG (DIVIDEND)	XC000A1HTZP8	CH21	CHF	DE000A2X16H9

Eurex product code	Contract size	Minimum price change	Minimum size for Block Trades	Product group
NOVG	100	0.0001	225	SNSFSC
N3OV	1000	0.001	10	XNCHYC

### 2. Contract specifications and product parameters

In general, contract specifications for the new Single Stock Futures are in line with those for the existing Single Stock Futures with the relevant Eurex group ID, also in terms of trading hours and trading calendar, last trading day, settlement and determination of the daily and final settlement prices.

As of the introduction date of the new product, updated Annex A of the Contract Specifications for Futures Contracts and Options Contracts at Eurex Deutschland will be published on the Eurex website [www.eurexchange.com](http://www.eurexchange.com) under the following link:

**[Resources > Rules and Regulations > Contract specifications](#)**

### 3. Risk parameters

As of start of trading, risk parameters of the new products will be published on the Eurex website under the link:

**[Market data > Clearing data > Risk parameters and initial margins](#)**

and on the Eurex Clearing website [www.eurexclearing.com](http://www.eurexclearing.com) under the link:

**[Risk management > Risk parameters](#)**

Under this link, you will also find an up-to-date list with details for all Prisma-eligible Eurex products.

#### 4. Mistrade parameters and position limits

Mistrade ranges and position limits for the new Single Stock Futures will be published as of start of trading on the Eurex website under the following links:

[Products > Equity derivatives > Single Stock Futures](#)

[Products > Product information > Product specifications](#)

#### 5. Transaction limits

The same values apply as for existing Single Stock Futures with the relevant Eurex group ID. For details, please refer to the Eurex website under the link:

[Technology > Excessive System Usage Fee](#)

#### 6. Transaction fees

The same transaction fees apply as for the corresponding existing Single Stock Futures.

#### 7. Vendor codes

As of start of trading, data vendor codes for the new products will be published on the Eurex website under the link:

[Products > Vendor product codes](#)

### Equity options: introduction of two equity options; Equity options: introduction of two equity options with weekly expiration

#### 1. Contract specifications and product parameters

Eurex product code	Contract size	Minimum price change below threshold	Maximum maturity (months)	Eurex-group ID	Product currency	Minimum size for Block Trades	Product group
NOVE	100	0.01	60	CH14	CHF	250	SNSOEC
NOVN	100	0.01	60	CH11	CHF	250	SNSOEC
NOW2	100	0.01	1	CH13	CHF	250	SNSOEC
NOW4	100	0.01	1	CH13	CHF	250	SNSOEC

Eurex product code	Option on	Underlying ISIN	Product ISIN
NOVE	NOVARTIS AG	CH0012005267	DE000A1MAJW6
NOVN	NOVARTIS AG	CH0012005267	CH0012005267
NOW2	NOVARTIS AG	CH0012005267	DE000A160M73
NOW4	NOVARTIS AG	CH0012005267	DE000A160M81

As of the introduction date of the new products, updated Annex B of the Contract Specifications for Futures Contracts and Options Contracts at Eurex Deutschland will be published on the Eurex website under the following link:

**[Resources > Rules and Regulations > Contract specifications](#)**

**2. Exercise prices**

Exercise prices for the equity options follow the current Eurex standard of the respective group IDs. Please refer to the contract specifications for details.

Contract specifications for the new products are available on the Eurex website under the following link:

**[Products > Equity derivatives > Equity options](#)**

**3. Risk parameters**

As of start of trading, risk parameters of the new products will be published on the Eurex website under the link:

**[Market data > Clearing data > Risk parameters and initial margins](#)**

and on the Eurex Clearing website under the link:

**[Risk management > Risk parameters](#)**

There, you will also find an up-to-date list with details for all Prisma-eligible Eurex products.

**4. Trading hours**

Trading hours for the new equity options correspond with the relevant trading hours of the existing Eurex group IDs. Please refer to the contract specifications for details.

**5. Mistrade ranges, position limits**

Mistrade ranges and position limits for the new equity options will be published as of start of trading on the Eurex website under the following links:

**[Products > Equity derivatives > Equity options](#)**

**[Products > Product information > Product specifications](#)**

**6. Vendor codes**

As of start of trading, data vendor codes for the new products will be published on the Eurex website under the following link:

**[Products > Vendor product codes](#)**

**7. Trading calendar**

The existing trading calendars for equity options, respectively, will apply. They can be found on the Eurex website under the link:

**[Trading > Trading calendar](#)**

## 8. Transaction limits, minimum size for cross- and pre-arranged trades, transaction fees

The same values apply as for existing equity options with the respective Eurex group ID.

## 9. Eurex T7 Entry Services

The Flexible Options facility will be available upon acceptance of the General Conditions for Participation.

An overview of the Eurex T7 Entry Services available for the products as well as detailed information on all Single Stock Futures and equity options on single product basis with regard to availability, possibility of utilisation and minimum number of tradable contracts for the various Eurex T7 Entry Services is available on the Eurex website.

CSV file "Trading Parameters" contains product parameter "Block Volume Publication Limit" (see column "NonDisclosureLimit") which defines the limit for volumes up to which Eurex Block Trades in the various products are published. Aforementioned information as well as the CSV file can be found on the Eurex website under the link:

**[Trading > Eurex T7 Entry Services > T7 Entry Service parameters](#)**

## 10. Liquidity classes

Eurex Clearing AG grants rebates for Liquidity Provisioning for Equity Index, Equity (with Group ID ending in "11", "12" or "13" as assigned in Annex B of the Eurex Contract Specifications) and Interest Rate Options according to the Eurex Liquidity Provider Agreement and number 3.2.1.1 of the Price List of Eurex Clearing AG. Eurex Clearing AG grants volume rebates for Equity Index, Equity and Interest Rate Options as well as Equity Index and Interest Rate Futures according to number 3.2.2 of the Price List of Eurex Clearing AG. The rebates for Liquidity Provisioning and the volume rebates are subject to the Liquidity Class ("LC") of each respective product. This is realised by introducing three LCs: LC1, LC2 and LC3, whereby LC1 represents liquid products and LC3 represents the less liquid products. A comprehensive list of all products and the respective Liquidity Classes (where applicable) is published on the Eurex website under the following link:

**[Products > Product information](#)**

In addition, for automated processing of the liquidity class list (download, the file is published in the public area of the Common Report Engine (CRE)).

If you have any questions or need further information, please contact Derivatives Trading Operations via tel. +49-69-211-1 12 10 or send an e-mail to: [eurextrading@eurexchange.com](mailto:eurextrading@eurexchange.com).

12 April 2019

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AMENDMENTS ARE MARKED AS FOLLOWS:

INSERTIONS ARE UNDERLINED

DELETIONS ARE CROSSED OUT

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[...]

**Annex A in relation to Subsection 1.6 of the Contract Specifications:**

Futures on Shares of	Product ID	Group ID*	Cash Market-ID*	Contract Size	Minimum Price Change	Currency**	Minimum Block Trade Size
[...]							
<del>Novartis-Alcon-Basket</del> AG – N.	NOVF	CH01	XVTX	100	0.0001	CHF	225
<u>Novartis AG</u>	<u>NOVG</u>	<u>CH01</u>	<u>XVTX</u>	<u>100</u>	<u>0.0001</u>	<u>CHF</u>	<u>225</u>
[...]							

[...]

**Annex B in relation to Subsection 2.6 of the Contract Specifications:**

Options on Shares of	Product ID	Group ID*	Cash Market ID*	Contract Size	Maximum Term (Months)	Minimum Price Change	Currency**	Minimum Block Trade Size
[...]								
<del>Novartis-Alcon-Basket</del> Novartis AG – N.	<del>NORV</del> E	CH14	XVTX	100	60	0.01	CHF	250
<del>Novartis-Alcon-Basket</del> Novartis AG – N.	<del>NORB</del> VN	CH11	XVTX	100	60	0.01	CHF	250
<del>Novartis-Alcon-Basket</del> Novartis AG – N.	<del>NORW</del> 1/2/4/5	CH13	XVTX	100	1	0.01	CHF	250
<u>Novartis AG</u>	<u>NOVE</u>	<u>CH14</u>	<u>XVTX</u>	<u>100</u>	<u>60</u>	<u>0.01</u>	<u>CHF</u>	<u>250</u>
<u>Novartis AG</u>	<u>NOVN</u>	<u>CH11</u>	<u>XVTX</u>	<u>100</u>	<u>60</u>	<u>0.01</u>	<u>CHF</u>	<u>250</u>
<u>Novartis AG</u>	<u>NOW1/</u> <u>2/4/5</u>	<u>CH13</u>	<u>XVTX</u>	<u>100</u>	<u>1</u>	<u>0.01</u>	<u>CHF</u>	<u>250</u>
[...]								

[...]

The table referenced below stipulates further information for products with a premium threshold. The information regarding the below mentioned products is supplementary to the information stipulated in the table above.

Options on shares of	Product ID	Group ID	Minimum price change below threshold	Premium Threshold	Minimum price change above threshold
[...]					
NORMA Group SE	NOEJ	DE12	0.01	0.5	0.05
<del>Novartis-Alcon-Basket</del> Novartis AG – N.	<del>NORBNVN</del>	CH11	0.01	5	0.05
<del>Novartis-Alcon-Basket</del> Novartis AG – N.	<del>NORW1/2/4/5</del>	CH13	0.01	5	0.05
<u>Novartis AG</u>	<u>NOVN</u>	<u>CH11</u>	<u>0.01</u>	<u>5</u>	<u>0.05</u>
<u>Novartis AG</u>	<u>NOW1/2/4/5</u>	<u>CH13</u>	<u>0.01</u>	<u>5</u>	<u>0.05</u>
[...]					

[...]

**Annex D in relation to Subsection 1.13 of the Contract Specifications:**

Futures contracts on the dividends of Shares (“Single Stock Dividend Futures”)	Product ID	Group ID*	Cash Market-ID*	Maximum term (years)	Contract Size	Minimum Price Change	Currency**	Minimum Block Trade Size
[...]								
<del>Novartis-Alcon-Basket</del> Novartis AG – N.	N2OV	CH21	XVTX	5	1000	0.001	CHF	10
<u>Novartis AG</u>	<u>N3OV</u>	<u>CH21</u>	<u>XVTX</u>	<u>5</u>	<u>1000</u>	<u>0.001</u>	<u>CHF</u>	<u>10</u>
[...]								

[...]

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