

Eurex Circular 048/19

Equity derivatives: Introduction of Single Stock Futures and equity options on Alcon Inc.

Summary

The Management Board of Eurex Deutschland took the following decisions with effect from **29 April 2019**:

- Introduction of Single Stock Futures on Alcon Inc. pursuant to Annex A of the Attachment;
- Introduction of equity options on Alcon Inc. 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.

Attachment:

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

Date: 16 April 2019

Recipients:

All Trading Participants of Eurex Deutschland and Vendors

Authorized by:

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Target group:

- All departments

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Equity derivatives: Introduction of Single Stock Futures and equity options on Alcon Inc.

Introduction of Single Stock Futures

1. Product overview

Eurex product code	Single Stock Future on	Underlying ISIN	Eurex group ID	Product currency	Product ISIN
ALCF	Alcon Inc.	CH0432492467	CH01	EUR	DE000A2X16J5

Eurex product code	Contract size	Minimum price change	Minimum size for Block Trades	Product group
ALCF	100	0.0001	10	SNSFSC

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 under the following link:

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

3. Risk parameters

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

[Products > Vendor product codes](#)

8. Liquidity Provisioning

With effect from launch date, the following product will be included in the Liquidity Provider Scheme for Single Stock Futures (Equity-02) with the following parameters:

Scheme	Single Stock Future on	Product ID	Spread Class	Basis Minimum Quote Size
Others	Alcon Inc.	ALCF	SSF 3	5

Introduction of equity options

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
ALC	100	0.01	60	CH11	EUR	100	SNSOEC

Eurex product code	Option on	Underlying ISIN	Product ISIN
ALC	Alcon Inc.	CH0432492467	CH0432492467

As of the introduction date of the new product, 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 option 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 product 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 option 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 option 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 product will be published on the Eurex website under the following link:

[Products > Vendor product codes](#)

7. Trading calendar

The existing trading calendar for equity options will apply. It 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).

11. Liquidity Provisioning

With effect from launch date, the following equity options will be integrated into the Liquidity Provider Scheme for Equity Options (Equity-01) with the following parameters:

Scheme	Option on	Product ID	Package ID	Spread class	Basis Minimum Quote Size	Number of expirations to be quoted; the first
Non-Package	Alcon Inc.	ALC	-	OSTK 8	10	6

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.

16 April 2019

AMENDMENTS ARE MARKED AS FOLLOWS:

INSERTIONS ARE UNDERLINED

DELETIONS ARE CROSSED OUT

[...]

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
[...]							
Alcon Inc.	<u>ALCF</u>	<u>CH01</u>	<u>XVTX</u>	<u>100</u>	<u>0.0001</u>	<u>CHF</u>	<u>10</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
[...]								
Alcon Inc.	<u>ALC</u>	<u>CH11</u>	<u>XVTX</u>	<u>100</u>	<u>60</u>	<u>0.01</u>	<u>CHF</u>	<u>100</u>
[...]								

[...]

* The group ID as well as the cash market ID shall be assigned by Eurex Deutschland according to the following table and shall, amongst other things, serve the purpose of determining a market place for the price of the share underlying the contract. If the reference market of the underlying share is changed within the Electronic Trading System of the Euronext Exchanges Euronext Brussels, Euronext Paris and Euronext Amsterdam, the Management Board of Eurex Deutschland may change the cash market-ID for a contract and thus determine a relevant cash market other than the cash market determined upon the introduction of the contract.

** GBX: Pence Sterling

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
[...]					
Alcon Inc.	ALC	CH11	0.01	5	0.05
[...]					

[...]
