

Eurex Circular 050/19

DAX[®] index options: Adjustment of Contract Specifications

Effective **22 July 2019**, the Management Board of Eurex Deutschland decided to adjust the Contract Specifications for DAX[®] index options, including Weekly Options, as follows:

- Introduction of a premium-based price gradation with defined thresholds;
- Adjustment of tradable exercise prices.

Premium-based price gradation:

The minimum price change below a premium of 25 index points remains unchanged at 0.1 index points. A premium of 25 to 249.5 index points increases the minimum price change to 0.5 index points. As of a premium of 250 index points, the minimum price change increases to 1.0 index points.

The premium-based price gradation will be valid for all order book transactions (including strategy transactions). However, it will not be applied for Eurex T7 Entry Service (TES) transactions. These will be entered in steps of 0.1 index points, as before.

Exercise prices:

As of 22 July 2019, the newly generated series by Eurex will indicate the following exercise price intervals:

Terms up to 3 months:	50 index points
Terms of 4 to 12 months:	100 index points
Terms of more than 12 months:	200 index points

The requirements for Liquidity Providers remain unchanged.

The above changes will be available in simulation as of 5 June 2019.

Please note that all orders in ODAX in the Eurex trading system will be deleted after close of trading on 19 July 2019.

Attachment:

- Updated sections of the Contract Specifications for Futures Contracts and Options Contracts at Eurex Deutschland

Date: 26 April 2019

Recipients: All Trading Participants of Eurex Deutschland and Vendors

Authorized by: Michael Peters

Target group:

- Front Office/Trading
- Middle + Back Office
- IT/System Administration

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AMENDMENTS ARE MARKED AS FOLLOWS:

INSERTIONS ARE UNDERLINED

DELETIONS ARE CROSSED OUT

[...]

Part 2 Contract Specifications for Options Contracts

[...]

Subpart 2.4 Contract Specifications for Index Options

The following subpart contains contract specifications for Options Contracts on stock indices (“Index Options”).

[...]

2.4.9 Price Gradations

The price of an options contract will be quoted in points. The smallest price change (Tick) shall be 0.01 points for DivDAX®, MSCI Europe (NTR & Price, EUR), MSCI Europe Growth, MSCI Europe Value and STOXX Europe Select 50 Options contracts, 0.05 points for EURO STOXX® Banks and STOXX® Europe 600 Banks Sector Index Options contracts, 1 point for MSCI World (NTR, GBP) Index Options and 0.1 points for all other Index Options contracts, which represents a value of:

- EUR 0.50 for ~~DAX®~~ and MDAX®-Options contracts

[...]

In deviation of Sentence 2, the following minimum price change applies to the index options contracts below:

<u>Index options contracts</u>	<u>Minimum price change below threshold 1</u>	<u>Premium Threshold 1</u>	<u>Minimum price change above threshold 1</u>	<u>Premium Threshold 2</u>	<u>Minimum price change above threshold</u>
<u>DAX®</u>	<u>0.1</u>	<u>25</u>	<u>0.5</u>	<u>250</u>	<u>1.0</u>

[...]

Annex C in relation to Contract Specifications:

[...]

Exercise Prices for Index Options (2.4.6)

Options series for Index Options may generally have the following exercise prices:

Contract	Exercise Price Intervals in Index Points for Contract Months with a Remaining Lifetime of					
	≤ 3 months	4-6 months	6-12 months	13-24 months	25-36 months	> 36 months
[...]						
DAX® Options contracts (ODAX) (including the term group of 5 weeks)	50	50 100	50 100	100 200	200	200
[...]						

[...]
