X-pand into the Future

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VSTOXX® options: Extension of the Market-Making scheme with revenue sharing

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Content may be most important for:	**Attachments:**
➲ All departments	none

Summary:

The Management Board of Eurex Deutschland and the Executive Board of Eurex Zürich AG have decided to extend the Market-Making scheme with revenue sharing for options on the VSTOXX® index (OVS) until **31 January 2017**.

From **1 February 2017**, the Market-Making scheme in conjunction with the launch of the options on VSTOXX Futures will become effective. Please refer to Eurex circular 098/16 for details.

Information about the related decisions to be passed by Eurex Clearing AG will be published in a separate Eurex Clearing circular at a later date. Thus the new schemes are subject to the corresponding decisions by Eurex Clearing AG.

VSTOXX® options: Extension of the Market-Making scheme with revenue sharing

1. Overview

The Management Board of Eurex Deutschland and the Executive Board of Eurex Zürich AG have decided to extend the Market-Making scheme with revenue sharing for options on the VSTOXX® index (OVS) until 31 January 2017.

2. Market-Making in options on the VSTOXX® index (OVS)

Eurex Exchange offers interested Participants the opportunity to participate in the Market-Making scheme for options on the VSTOXX® index without any prior registration.

a) Quote obligations: Market-Making in options on the VSTOXX® index (OVS)

The following conditions for quotation will apply:

Minimum quotation size:	250 contracts	
Maximum spread:	**Bid up to**	**Maximum spread**
	2	0.40 points
	> 2 - 20	20% of bid price
	> 20 - 9999.95	4 points
Quotation time:	70 percent of the full trading time on an average monthly basis for calls and puts in five out of eleven strikes near the current at-the-money index value. Asymmetric quotation is allowed.	
Expiration months:	Four out of eight expirations have to be quoted.	

b) Fee refund and revenue sharing scheme for Market Makers in options on the VSTOXX® index

100 percent refund on transaction fees for transactions concluded on the M-account in options on the VSTOXX® index from 1 January 2016 until 31 January 2017, if the monthly obligations have been fulfilled. In addition, revenue sharing will be offered: 30 percent of the net trading revenues (revenues from trading minus rebates) in options on the VSTOXX® index will be distributed among the top three (by M- account volume) Market Makers on a monthly basis. Half of the amount will be determined as the share of the trading volume of one single Market Maker out of the total trading volume of the top three Market Makers. The other half of the revenue share will be equally distributed amongst the three fulfilling Market Makers with the highest trading volume.

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