



eurex clearing circular 147/15

Date: 17 December 2015
Recipients: All Clearing Members of Eurex Clearing AG and Vendors
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MSCI index derivatives:
Extension and adjustment of existing Market-Making schemes

Related Eurex circular: 225/15

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Content may be most important for:

➤ All departments

Attachment:

Designated Market Maker Agreement for Futures on MSCI Indices

Summary:

In connection with the extension and adjustment of existing Market-Making schemes for MSCI index derivatives, the measures of Eurex Clearing stated in this circular will come into effect on **1 January 2016**.

Please refer to Eurex circular 225/15 for the conditions and details of the existing Market-Making schemes for MSCI index futures and MSCI index options.

MSCI index derivatives:
Extension and adjustment of existing Market-Making schemes

Effective 1 January 2016, Eurex Clearing will take the following measures:

- Extension and adjustment of the existing Market-Making schemes for MSCI index futures and MSCI index options for the period from 1 January until 31 December 2016 including the MSCI futures that have been listed effective 14 December 2015.
- Provided the quote obligations for Designated Market-Making in MSCI index futures were fulfilled, DMMs will receive a refund of 50 percent of fees for all transactions executed on M-accounts in MSCI index futures until 31 December 2016.
- Provided the quote obligations for Permanent Market-Making in MSCI index options were fulfilled, Permanent Market Makers will receive a refund of 75 percent on fees for all transactions executed on M-accounts in MSCI index options until 31 December 2016.
- Designated Market Makers and Permanent Market Makers can qualify for the revenue sharing scheme in aforementioned products. The scheme will run from 1 January 2016 until 31 December 2016. The revenue sharing amount will be:
 - 30 percent of the net revenues (transaction fees minus rebates) for Designated Market Makers in MSCI index futures.
 - 30 percent of the net revenues (transaction fees minus rebates) for Permanent Market Makers in MSCI index options.
- Extension and adjustment of Designated Market-Making scheme (“MSCI package”) including revenue sharing for MSCI index futures. The MSCI package includes all regional MSCI index futures and, in future, some MSCI country index futures. A maximum number of eight Market Makers who fulfil the quoting requirements of the “MSCI package” will receive up to 15 percent of the net revenues (transaction fees minus rebates) in these products.

For conditions and details of the existing Market-Making scheme for MSCI index futures and MSCI index options, please refer to Eurex circular 225/15.

17 December 2015

Please return by fax to:

Ralf Huesmann

Fax no.: +49-69-211-61 54 43**Designated Market Maker Agreement for Futures on MSCI Indices**

dated as of: _____

1. Eurex Frankfurt AG (“EFAG”) and Eurex Clearing AG (“ECAG”) and

_____ (“Participant”)
 (name of Participant/Member ID)

hereby enter into this Designated Market Maker Agreement (the “Agreement”) under the conditions outlined below and the Quote Obligations in paragraph 1 of Eurex circular 225/15 with respect to the following products:

Futures on	Currency	Index type	Eurex product code	Please tick (✓) if applicable
MSCI AC Asia P ex Jp	USD	NTR	FMAS	<input type="checkbox"/>
MSCI AC Asia Pacific	USD	NTR	FMAP	<input type="checkbox"/>
MSCI ACWI	USD	NTR	FMAC	<input type="checkbox"/>
MSCI ACWI ex USA	USD	NTR	FMXU	<input type="checkbox"/>
MSCI Australia	USD	NTR	FMAU	<input type="checkbox"/>
MSCI Chile	USD	NTR	FMCL	<input type="checkbox"/>
MSCI China Free	USD	NTR	FMCN	<input type="checkbox"/>
MSCI Colombia	USD	NTR	FMCO	<input type="checkbox"/>
MSCI Czech Rep	USD	NTR	FMCZ	<input type="checkbox"/>
MSCI Egypt	USD	NTR	FMEY	<input type="checkbox"/>
MSCI EM	USD	NTR	FMEM	<input type="checkbox"/>
MSCI EM	USD	Price	FMEF	<input type="checkbox"/>
MSCI EM	EUR	NTR	FMEN	<input type="checkbox"/>
MSCI EM Asia	USD	NTR	FMEA	<input type="checkbox"/>
MSCI EM EMEA	USD	NTR	FMEE	<input type="checkbox"/>
MSCI EM LatAm	USD	NTR	FMEL	<input type="checkbox"/>

Futures on	Currency	Index type	Eurex product code	Please tick (✓) if applicable
MSCI EMU	EUR	NTR	FMMU	<input type="checkbox"/>
MSCI Europe	EUR	NTR	FMEU	<input type="checkbox"/>
MSCI Europe	EUR	Price	FMEP	<input type="checkbox"/>
MSCI Europe	USD	NTR	FMED	<input type="checkbox"/>
MSCI Europe ex Switzerland	EUR	NTR	FMXS	<input type="checkbox"/>
MSCI Europe Growth	EUR	NTR	FMEG	<input type="checkbox"/>
MSCI Europe Value	EUR	NTR	FMEV	<input type="checkbox"/>
MSCI Frontier	USD	NTR	FMFM	<input type="checkbox"/>
MSCI Greece	EUR	NTR	FMGR	<input type="checkbox"/>
MSCI Hong Kong	USD	NTR	FMHK	<input type="checkbox"/>
MSCI Hungary	USD	NTR	FMHU	<input type="checkbox"/>
MSCI India	USD	NTR	FMIN	<input type="checkbox"/>
MSCI Indonesia	USD	NTR	FMID	<input type="checkbox"/>
MSCI Japan	USD	NTR	FMJP	<input type="checkbox"/>
MSCI Japan	USD	GTR	FMJG	<input type="checkbox"/>
MSCI Kokusai	USD	NTR	FMKN	<input type="checkbox"/>
MSCI Kokusai	USD	GTR	FMKG	<input type="checkbox"/>
MSCI Malaysia	USD	NTR	FMMY	<input type="checkbox"/>
MSCI Mexico	USD	NTR	FMMX	<input type="checkbox"/>
MSCI Morocco	USD	NTR	FMMA	<input type="checkbox"/>
MSCI New Zealand	USD	NTR	FMNZ	<input type="checkbox"/>
MSCI Pacific	USD	NTR	FMPA	<input type="checkbox"/>
MSCI Pacific	USD	GTR	FMPG	<input type="checkbox"/>
MSCI Pacific ex Japan	USD	NTR	FMPX	<input type="checkbox"/>
MSCI Peru	USD	NTR	FMPE	<input type="checkbox"/>
MSCI Philippines	USD	NTR	FMPH	<input type="checkbox"/>
MSCI Poland	USD	NTR	FMPL	<input type="checkbox"/>
MSCI Qatar	USD	NTR	FMQA	<input type="checkbox"/>
MSCI Russia	USD	Price	FMRU	<input type="checkbox"/>
MSCI Russia	USD	NTR	FMRS	<input type="checkbox"/>
MSCI South Africa	USD	NTR	FMZA	<input type="checkbox"/>

Futures on	Currency	Index type	Eurex product code	Please tick (✓) if applicable
MSCI Thailand	USD	NTR	FMTH	<input type="checkbox"/>
MSCI UAE	USD	NTR	FMUA	<input type="checkbox"/>
MSCI UK	GBP	NTR	FMUK	<input type="checkbox"/>
MSCI USA	USD	NTR	FMUS	<input type="checkbox"/>
MSCI USA Equal Weighted (High Exposure)	USD	NTR	FMUE	<input type="checkbox"/>
MSCI USA Momentum (High Exposure)	USD	NTR	FMUM	<input type="checkbox"/>
MSCI USA Quality (High Exposure)	USD	NTR	FMUQ	<input type="checkbox"/>
MSCI USA Value Weighted (Capacity)	USD	NTR	FMUV	<input type="checkbox"/>
MSCI World	USD	NTR	FMWO	<input type="checkbox"/>
MSCI World	USD	Price	FMWP	<input type="checkbox"/>
MSCI World	EUR	NTR	FMWN	<input type="checkbox"/>
MSCI World Midcap	USD	NTR	FMWM	<input type="checkbox"/>

for the period from **1 January until 31 December 2016**.

2. The Participant will

- a) fulfil the Market-Making Obligations as set out by the Management Board of Eurex Deutschland and the Executive Board of Eurex Zürich AG ("Eurex Market-Making Obligations") and published via Eurex circular. The Market-Making Obligations for Futures on MSCI Indices can be amended from time to time;
- b) provide EFAG with the name of a manager, who has the authorisation and expertise necessary to fulfil the commitments required under the Eurex Market-Making Obligations;
- c) provide EFAG with the name of a manager who has the authorisation and expertise necessary to make decisions and act as coordinator for the Participant, who will be available for EFAG and ECAG with respect to this Agreement;
- d) inform EFAG in the event the Participant is or will be unable to fulfil the Eurex Market-Making Obligations without undue delay and at the latest within one business day.

3. ECAG will

- a) refund 50 percent of all transaction fees on M-accounts until 31 December 2016. The refund for the respective month will be calculated at the beginning of the subsequent month. No refunds will be made for contracts traded on A- or P-accounts or if the Quote Obligations are not fulfilled;
- b) offer a revenue sharing per individual MSCI Futures as detailed in Eurex circular 225/15 (**DMM1**).
- c) offer an additional revenue sharing for a package of MSCI Futures (**MSCI package**) as detailed in Eurex Clearing circular 147/15



4. EFAG and ECAG shall, upon occurrence of one of the following events, be entitled to terminate this Agreement:
 - a) The Participant does not comply with the Eurex Market-Making Obligations for four consecutive months counted as of the date of this Agreement. Conformance of the Participant with the Eurex Market-Making Obligations shall be monitored by EFAG. EFAG will determine in its sole discretion whether the Participant has fulfilled the Eurex Market-Making Obligations;
 - b) The Participant does not comply with any other of its obligations stated under No. 2 above.
5. The Participant shall, upon occurrence of one of the following events, be entitled to terminate this Agreement:
 - a) A significant change in the Contract Specifications for Futures Contracts and Options Contracts at Eurex Deutschland and Eurex Zürich for the aforementioned products;
 - b) A significant change to the Eurex Market-Making Obligations.
6. The Participant and EFAG and ECAG shall severally be entitled to terminate this Agreement without giving any reason with one calendar month's prior notice.

SHOULD BE FILLED OUT BY THE PERSON DESIGNATED IN ACCORDANCE WITH PARAGRAPH 2. b)

Place, date

Name

Position

Phone

Fax

(Signature/Stamp of the company)

E-mail address

Please send the completed Agreement to the fax number indicated above.