X-pand into the Future

eurex circular 118/16

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Recipients: All Trading Participants of Eurex Deutschland and Eurex Zürich and Vendors
Authorized by: Mehtap Dinc

⚠ **High priority!**

GMEX IRS Constant Maturity Futures: Name change to "LDX IRS Constant Maturity Futures"

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Content may be most important for:	**Attachment:**
➲ All departments	Amended sections of the Contract Specifications for Futures Contracts and Options Contracts at Eurex Deutschland and Eurex Zürich

Following LDX Group's rebranding on 26 October 2016, the Management Board of Eurex Deutschland and the Executive Board of Eurex Zürich AG will rename the **GMEX IRS Constant Maturity Futures** contracts to **"LDX IRS Constant Maturity Futures"** contracts with effect from **27 December 2016**.

The Eurex product codes GE02, GE03, GE04, GE05, GE06, GE07, GE08, GE09, GE10, GE11, GE12, GE13. GE14, GE15, GE16, GE17, GE18, GE19, GE20, GE21, GE22, GE23, GE24, GE25, GE26, GE27, GE28, GE29 and GE30 will remain unchanged.

Please refer to the attachment for the amended sections of the Contract Specifications for Futures Contracts and Options Contracts at Eurex Deutschland and Eurex Zürich.

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AMENDMENTS ARE MARKED AS FOLLOWS:

INSERTIONS ARE UNDERLINED

DELETIONS ARE CROSSED OUT

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1.22 Subpart: Contract Specifications for ~~GMEX~~ LDX IRS Constant Maturity Futures ("~~GMEX~~ LDX IRS CMF")

The following subpart contains contract specifications for futures contracts on the Global Derivatives Indices Limited Interest Rate Swap Constant Maturity Index ("**GDI IRS CMI**").

1.22.1 Subject Matter of Contract

(1) An ~~GMEX~~LDX IRS Constant Maturity Futures Contract is a futures contract on a specific interest rate index, the GDI IRS CMI, denominated in Euros, which is calculated by Global Derivatives Indices Limited.

(2) Each GDI IRS CMI replicates a different point on the interest rate swap curve varying from 2 to 30 years. As this is a constant maturity index, each index will track a fixed point on the interest rate swap curve. Consequently, each futures contract always has the same fixed underlying tenor ranging from 2 to 30 years inclusive so that 29 contracts are tradable on Eurex Exchanges.

(3) Futures contracts on the GDI IRS CMI are available for trading at the Eurex Exchanges such that the publication of Global Derivatives Indices Limited shall determine the composition, weighting and calculation as defined on the London Derivatives Exchange (LDX) ~~GMEX Global Markets Exchange~~ Group website (www.londondx.com~~www.gmex-group.com~~).

(4) If any changes are made in the calculation of an index or its composition or weighting such that the concept of the index appears to be no longer comparable with the concept that applied when the futures contract was admitted to trading, the Management Boards of the Eurex Exchanges may order the termination of trading in such contract as of the last trading day prior to the change in the respective index.

(5) The Management Boards of the Eurex Exchanges may order the termination of trading of such contracts if liquidity or trading volumes are insufficient or if changes in the law or regulation occur that affect trading or clearing of such contract.

(6) If the Management Boards of the Eurex Exchanges decide to discontinue trading of a ~~GMEX~~LDX IRS CMF, open positions shall be settled in cash upon the termination of trading. The Executive Board of Eurex Clearing AG shall determine the daily settlement price within its reasonable discretion.

(7) The value of each contract is as described in Table 1.22a below.

(8) Table 1.22a depicts the product-related provisions for the ~~GMEX~~LDX IRS CMF (for the avoidance of doubt: the following details refer to one contract):

Table 1.22a

~~GMEX~~LDX IRS CMF tenors	2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30
Notional value	For ~~GMEX~~LDX IRS CMF with underlying GDI IRS CMI tenors of 2 and 3 years: EUR 200,000 For ~~GMEX~~LDX IRS CMF with underlying GDI IRS CMI tenors from 4 to 8 years inclusive: EUR 100,000 For ~~GMEX~~LDX IRS CMF with underlying GDI IRS CMI tenors from 9 to 30 years inclusive: EUR 50,000
Price of ~~GMEX~~LDX IRS CMF	An amount representing the sum of the respective notional value and the present value of all future cash flows of the fixed leg in an equivalent notional value interest rate swap with a maturity matching the tenor of the respective futures contract. The present value amount of the fixed leg is derived from the interest rate traded with each resulting payment being discounted using the discount factors calculated and published by GDI (www.londondx.com~~www.gmex-group.com~~) for the respective tenor to the payment. Discount factors and interest rate swap details are published on the LDX Group ~~GMEX~~ website (www.londondx.com~~www.gmex-group.com~~).

1.22.2 Obligation for Performance

After daily close of trading in the ~~GMEX~~LDX IRS CMF, the seller of a LDX IRS CMF shall pay in cash any difference between the agreed price and the higher daily settlement price (Chapter II, Number 2.8.2 of the Clearing Conditions for Eurex Clearing AG).The purchaser shall pay in cash any difference between the agreed price and the lower daily settlement price (Chapter II, Number 2.8.2 of the Clearing Conditions for Eurex Clearing AG).

The fulfilment of the ~~GMEX~~LDX IRS CMF shall be effected by cash settlement between the Clearing Members and Eurex Clearing AG. Each Clearing Member shall be responsible for handling the cash settlement to Non-Clearing Members and its own customers; Non-Clearing Members shall be responsible for handling the cash settlement by Non-Clearing Members to their customers.

1.22.3 Term

The ~~GMEX~~LDX IRS CMF continuously maintain their maturity (constant maturity) and do not expire unless they are terminated by Eurex Clearing AG (i) upon request of an exchange participant as specified in Chapter II Number 2.8.6 of the Clearing Conditions for Eurex Clearing AG, or (ii) in accordance with Chapter II Number 2.8.5 of the Clearing Conditions for Eurex Clearing AG if such CMF shall for any reason no longer be admitted for trading at Eurex.

1.22.4 Termination per CMF market integrity process

Positions in the ~~GMEX~~LDX IRS CMF can be terminated by Eurex Clearing AG upon request of an exchange participant as a result of a close-out procedure ("**CMF market integrity process**" as described in Chapter II, Number 2.8.6 of the Clearing Conditions for Eurex Clearing AG) provided it has undertaken adequate attempts to close the respective CMF before filing a request according to Chapter II, Number 2.8.6 of the Clearing Conditions for Eurex Clearing AG.

1.22.5 Daily Close of Trading

Daily at 6.15 p.m. CET

1.22.6 Price Gradations

The price of the ~~GMEX~~LDX IRS CMF shall be quoted as a present value number in Euros with two decimal places.

The minimum price change ("**Tick**") for all ~~GMEX~~LDX IRS CMF shall be EUR 0.01.

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Annex C in relation to Contract Specifications:

Trading Hours Futures Contracts

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~~GMEX~~LDX IRS CMF

Product	Product-ID	Pre-Trading-Period	Continuous Trading	Post-Trading Full-Period	TES Block Trading	Last Trading Day	
						Trading until	Notification until
~~GMEX~~LDX IRS CMF on swaps rates with tenors of 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, and 30 years	GE02 GE03 GE04 GE05 GE06 GE07 GE08 GE09 GE10 GE11 GE12 GE13 GE14 GE15 GE16 GE17 GE18 GE19 GE20 GE21 GE22 GE23 GE24 GE25 GE26 GE27 GE28 GE29 GE30	07:20-07:30	07:30-18:15	18:15-22:30	07:30-18:15	n/a	n/a

All times CET

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Annex E Allocation Scheme (Part A Section 2.5 Paragraph 3 of the Conditions for Trading) and Path Priority (Part A Section 2.5 Paragraph 2 of the Conditions for Trading) *

Product Class	Allocation Scheme	Path Priority
Money Market Futures	Time-Pro-Rata	Pro-Rata Path Priority
Fixed Income Futures	Time	Direct Path Priority
Index Futures	Time	Direct Path Priority
Futures on Shares of Exchange-Traded Funds	Time	Direct Path Priority
Volatility Futures	Time	Direct Path Priority
Futures on Shares	Time	Direct Path Priority
Index Dividend Futures	Time	Direct Path Priority
Precious Metal Futures	Time	Direct Path Priority
Property Index Futures	Time	Direct Path Priority
Commodity Index Futures	Time	Direct Path Priority
Futures on the Dividend of Shares	Time	Direct Path Priority
Daily Futures on KOSPI 200 Options Contracts	Time	n/a
Daily Futures on TAIEX Futures	Time	Direct Path Priority
Daily Futures on TAIEX Options Contracts	Time	n/a
Futures on Xetra-Gold	Time	Direct Path Priority
Futures on Exchange-Traded Commodities Securities	Time	Direct Path Priority
Interest Rate Swap Futures	Time	Direct Path Priority
~~GMEX~~LDX IRS Constant Maturity Futures on swap rates with tenors 2 and 3 years	Pro Rata	n/a
~~GMEX~~LDX IRS Constant Maturity Futures on swap rates with tenors 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, and 30 years	Time	n/a
Options on Money Market Futures	Time	n/a
Options on Fixed Income Futures	Time	n/a
Index Options	Time	n/a
Options on Shares of Exchange-Traded Funds	Time	n/a
Options on iShares Shares of Exchange-Traded Funds	Pro Rata	n/a
Options and LEPOs on Stocks	Time	n/a
Precious Metal Options	Time	n/a
Volatility Index Options	Time	n/a
Index Dividend Options	Time	n/a
Options on Xetra-Gold	Time	n/a
Commodity Index Options	Time	n/a
Options on Exchange-Traded Commodities Securities	Time	n/a

* Applicable only to products available on the New Trading Architecture (according to Annex F)

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