X-pand into the Future

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Recipients: All Trading Members of Eurex Deutschland and Eurex Zürich and Vendors
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Equity Options: Adjustment of Market Maker Obligations

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Content may be most important for:

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

Attachment:
none

Summary:

Effective **May 2, 2011,** quotation requirements for Market Makers in equity options at Eurex will be changed as follows:

1. Resulting from the regular Eurex Market Maker parameter review:
   The adjustment will affect parameters in the two different Market-Making models, Permanent Market-Making (PMM) and Advanced Market-Making (AMM).
   Minimum quote sizes and spread class assignments are set according to market conditions and liquidity.
2. Options on CRH PLC will be included in the EURO STOXX 50® package

Members who are taking part in Market-Making programmes are kindly requested to adjust their system settings accordingly. It is highly recommended to verify Market Maker performance in the first days of May 2011, using the respective Eurex Market-Maker performance reports.

Equity Options: Adjustment of Market Maker Obligations

The minimum quote sizes and spread class assignments for Belgian, Dutch, French, German, Italian, Scandinavian and Swiss equity options are adjusted based on a scheme that captures market conditions and liquidity for each individual product (see list below).

Furthermore, options on CRH PLC (CRG) will be included in the EURO STOXX 50® package. The number of exceptions for this package will remain unchanged.

The changes will take effect on May 2, 2011.

Product	Product ID	Spread Class	Minimum Quote Size (Contracts)		Number of expirations to be quoted for PMM/AMM; the first	AMM Package ID
			RMM	AMM/ PMM		
Options on						
EURO STOXX 50® Components						
ALLIANZ	ALV	~~2~~3	NA	20	8	ESX50 DE
CRH PLC	CRG	7	NA	20	6	ESX50 IE
GENERALI	ASG5	A	NA	~~20~~50	7	ESX50 IT
LVMH	MOH	~~2~~3	NA	20	6	ESX50 FR
MUENCHNER RÜCK 10	MUV2	3	NA	~~20~~50	8	ESX50 DE
SCHNEIDER ELECTRIC	SND	~~2~~3	NA	20	6	ESX50 FR

Product	Product ID	Spread Class	Minimum Quote Size (Contracts)		Number of expirations to be quoted for PMM/AMM; the first	AMM Package ID
			RMM	AMM/ PMM		
Options on						
Swiss Equities						
ACTELION	ATLN	7	NA	~~20~~10	6	CH
BALOISE HOLDING	BALN	~~3~~2	NA	10	7	CH
KUDELSKI	KUD	~~2~~1	NA	10	7	CH
LOGITECH	LOGN	~~2~~1	NA	20	6	CH
NESTLE	NESN	2	NA	~~100~~50	8	CH
NOBEL BIOCARE	NOBE	2	NA	~~10~~20	6	CH
OC OERLIKON	OERL	~~2~~1	NA	~~50~~20	7	CH
PETROPLUS	PPHN	~~2~~1	NA	20	6	CH
SONOVA HOLDING AG	SOON	~~3~~2	NA	10	6	CH
SCHWEIZ.RUECKVERSICHER.	RUKN	2	NA	~~20~~50	8	CH

Product	Product ID	Spread Class	Minimum Quote Size (Contracts)		Number of expirations to be quoted for PMM/AMM; the first	AMM Package ID
			RMM	AMM/ PMM		
Options on						
Other Equities						
AGEAS	FO4	1	NA	~~20~~50	8	NL/BE
ASML	ASM	2	NA	~~10~~20	7	NL
BOUYGUES	BYG	2	NA	~~10~~20	6	FR
DEUTSCHE POST	DPW	1	NA	~~50~~100	8	DE
IMTECH	IR3A	2	NA	~~20~~10	6	NL
LINDE	LIN	~~2~~3	NA	10	8	DE
PINAULT PRINTEMPS	PPX	3	NA	~~5~~10	6	FR
PORSCHE	POR3	2	NA	~~10~~20	6	DE
QIAGEN	QIA	~~2~~1	NA	20	6	DE
SBM OFFSHORE	SBMO	~~1~~2	NA	10	6	NL
SUEZ ENVIRONNEMENT Co	SEV	~~2~~1	NA	10	6	FR
UPM-KYMMENE	RPL	~~1~~2	NA	~~50~~20	6	SC
VALLOUREC	VAC	~~3~~2	NA	10	6	FR
VEOLIA ENVIRONMENT	VVD	2	NA	~~10~~20	6	FR
VOLKSWAGEN	VOW	~~7~~3	NA	10	8	DE
VOLKSWAGEN VZ	VO3	~~7~~3	NA	20	8	DE

As of May 2, 2011, the new Market Maker obligations will be published on the Eurex website in PDF format and CSV format for electronic processing under the following paths:

PDF format:

www.eurexchange.com > Trading > Market Model > Market-Making > Market Maker Obligations

For direct access to the document click on the following link:

http://www.eurexchange.com/trading/market_model/market_making/obligations_en.html

CSV format:

www.eurexchange.com > Trading > Market Model > Market-Making > Market-Making Quote-Parameters

For direct access to the document click on the following link:

http://www.eurexchange.com/trading/market_model/market_making/quote_parameters_en.html

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