X-pand into the Future

eurex *rundschreiben 134/16*

Datum: 20. Dezember 2016
Empfänger: Alle Handelsteilnehmer der Eurex Deutschland und Eurex Zürich sowie Vendoren
Autorisiert von: Mehtap Dinc

Futures auf EURO STOXX® und STOXX® Europe 600-Sector-Indizes: Verlängerung des Designated Market-Making-Programms

Verweis auf Eurex-Rundschreiben: 233/15

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Zielgruppe:

➲ Alle Abteilungen

Anhänge: (nur in englischer Sprache):

1. Designated Market-Making scheme for sector futures – quote obligations
2. Designated Market Maker Agreement

Die Geschäftsführung der Eurex Deutschland und die Geschäftsleitung der Eurex Zürich AG haben mit Wirkung zum **1. Januar 2017** die folgenden Beschlüsse gefasst:

- Verlängerung des Designated Market-Making-Programms für Futures auf EURO STOXX®- und STOXX® Europe 600 Sector-Indizes bis zum **31. Dezember 2017**
- Reduzierung der Market-Making-Rabatte für Orderbuch und Off-Book-Transaktionen in Futures auf Sector-Indizes

Dieses Rundschreiben enthält Informationen bezüglich der Anpassung und Verlängerung des Designated Market-Making-Programms und bezüglich des Anmeldeformulars für das Designated Market-Making-Programm.

Informationen zu den entsprechenden Beschlüssen der Eurex Clearing AG werden zu einem späteren Zeitpunkt in einem separaten Eurex Clearing-Rundschreiben veröffentlicht. Die neuen Programme sind daher vorbehaltlich der entsprechenden Beschlüsse durch die Eurex Clearing AG.

Handelsteilnehmer, die am Designated Market-Making-Programm interessiert sind, werden gebeten, das beigefügte Formular zu nutzen (Anhang 2).

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Attachment 1 to Eurex Circular 134/16

Designated Market-Making scheme for EURO STOXX® and STOXX® Europe 600 Sector index futures (sector futures) – quote obligations

1. Market-Making fees

Upon fulfilment of quotation requirements on a monthly basis, Eurex Clearing AG will rebate part of transaction fees for contracts traded in the respective sector futures or for all trades in sector futures in the respective package concluded by Market Makers on the M-account.

Rebate of transaction fees will amount to

- 50 percent for transactions in the electronic order book and 50 percent for off-book transactions upon fulfilment of the quote obligations for the individual sector futures (except banks futures).
- 30 percent for transactions in the electronic order book and for off-book transactions upon fulfilment of the quote obligations for banks futures (FESB, FSTB).
- 75 percent for transactions in the electronic order book and 50 percent for off-book transactions upon fulfilment of quote obligations in sector futures package STXSF (section 2.1)

2. Quotation requirements

Market Makers commit to quote permanently a specified sector future or a specific amount of sector futures in the respective package (section 2.1). The quotes have to represent a minimum number of contracts (section 2.3) quoted with a maximum bid-ask spread (section 2.2).

In addition, quotation requirements for the quotation period and maturities to be quoted are as follows:

- Quotation period: At least 80 percent of the daily trading hours between 09:00 and 17:30 CET on a monthly average.
- Maturities: Current front month contract until five exchange trading days immediately preceding the last trading day of the front month contract; afterwards, Market Makers have the choice of quoting the front month or the next contract month.

The quotation requirements will be reviewed on a quarterly basis and are subject to change.

2.1 Quotation package and number of exceptions

A quotation package will be offered for Market-Making. The quotation requirements for the package will be considered fulfilled, if the quotation requirements are fulfilled for all products contained within the package, whereby a certain number of exceptions per months will be allowed for the package.

Package	Package ID	Number of package components	Number of monthly exceptions
Sector futures	**STXSF**	**36**	**13**

2.2 Spread class

Spread class 1: Maximum spread of 0.5 percent of bid price

2.3 List of minimum quote size, spread class and package assignment

Supersector	Index ID	EURO STOXX sector future ID	STOXX Europe 600 sector future ID	Min. quote size (in contracts)	Spread class	Package ID
1. Banks	SX7E/P	FESB	FSTB	225	1	not included
2. Automobile & Parts	SXAE/P	FESA	FSTA	75	1	STXSF
3. Basic Resources	SXPE/P	FESS	FSTS	75	1	STXSF
4. Chemicals	SX4E/P	FESC	FSTC	75	1	STXSF
5. Construction & Materials	SXOE/P	FESN	FSTN	75	1	STXSF
6. Financial Services	SXFE/P	FESF	FSTF	75	1	STXSF
7. Food & Beverage	SX3E/P	FESO	FSTO	75	1	STXSF
8. Health Care	SXDE/P	FESH	FSTH	75	1	STXSF
9. Industrial Goods & Services	SXNE/P	FESG	FSTG	75	1	STXSF
10. Insurance	SXIE/P	FESI	FSTI	75	1	STXSF
11. Media	SXME/P	FESM	FSTM	75	1	STXSF
12. Oil & Gas	SXEE/P	FESE	FSTE	75	1	STXSF
13. Personal & Household Goods	SXQE/P	FESZ	FSTZ	75	1	STXSF
14. Real Estate	SX86E/P	FESL	FSTL	75	1	STXSF
15. Retail	SXRE/P	FESR	FSTR	75	1	STXSF
16. Technology	SX8E/P	FESY	FSTY	75	1	STXSF
17. Telecommunication	SXKE/P	FEST	FSTT	75	1	STXSF
18. Travel & Leisure	SXTE/P	FESV	FSTV	75	1	STXSF
19. Utilities	SX6E/P	FESU	FSTU	75	1	STXSF

3. Revenue sharing[1]

EUR 0.10 per contract of the total volume generated by TES Block Trades in sector futures of sector futures package STXSF (Supersector category 2. – 19 according to section 2.3) is distributed on a quarterly basis to the leading five Market Makers. Eurex will evaluate on a monthly basis which Market Makers have complied with the quotation requirements of the Market Maker scheme for sector futures package “STXSF” (section 2) in each month of the quarter. Based on the respective amount of traded contracts on M- or P-accounts in the order book, these five most active Market Makers will be determined by the end of each quarter to participate in the revenue sharing scheme. Distribution: The amount will be determined as the ratio of the trading volume of one single Market Maker out of the total trading volume of the top five Market Makers on the M-account.

[1] The maximum revenue pool distribution amount is limited to/capped at EUR 250,000 per quarter.

Attachment 2 to Eurex circular 134/16

Please return by fax to:

Christine Heyde
Fax no. +49-69-211-61 56 98

Designated Market Maker Agreement for Futures on EURO STOXX® and STOXX® Europe 600 Sector Indexes

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") for the period from **1 January to 31 December 2017** under the conditions outlined below with respect to the following products (please tick for individual Futures):

Futures on EURO STOXX®/STOXX® Europe 600	**Eurex product code**	**Please tick (✓) the appro-priate box**	**Eurex product code**	**Please tick (✓) the appro-priate box**	**Package ID**
1. Banks	FESB	☐	FSTB	☐	n.a.
2. Automobiles & Parts	FESA	☐	FSTA	☐	STXSF
3. Chemicals	FESC	☐	FSTC	☐	STXSF
4. Oil & Gas	FESE	☐	FSTE	☐	STXSF
5. Financial Services	FESF	☐	FSTF	☐	STXSF
6. Industrial Goods & Services	FESG	☐	FSTG	☐	STXSF
7. Healthcare	FESH	☐	FSTH	☐	STXSF
8. Insurance	FESI	☐	FSTI	☐	STXSF
9. Media	FESM	☐	FSTM	☐	STXSF
10. Construction and Materials	FESN	☐	FSTN	☐	STXSF
11. Food and Beverage	FESO	☐	FSTO	☐	STXSF
12. Retail	FESR	☐	FSTR	☐	STXSF
13. Basic Resources	FESS	☐	FSTS	☐	STXSF
14. Telecommunications	FEST	☐	FSTT	☐	STXSF
15. Utilities	FESU	☐	FSTU	☐	STXSF
16. Travel & Leisure	FESV	☐	FSTV	☐	STXSF
17. Technology	FESY	☐	FSTY	☐	STXSF
18. Personal & Household	FESZ	☐	FSTZ	☐	STXSF

Futures on EURO STOXX®/STOXX® Europe 600	Eurex product code	Please tick (✓) the appro-priate box	Eurex product code	Please tick (✓) the appro-priate box	Package ID
19. Real Estate Futures	FESL	☐	FSTL	☐	STXSF

2. The Participant shall

a) Fulfil the Market-Making Scheme for Futures on EURO STOXX® and STOXX® Europe 600 Sector indices as set out by the Management Board of Eurex Deutschland and the Executive Board of Eurex Zürich ("Eurex Market-Making Obligations") and published via Eurex circular.

b) 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.

3. ECAG shall

a) Refund a certain amount of the transaction fees for the contracts concluded in all products included in the package or for the individual contract (see No. 1) by Designated Market Makers on M-accounts up to **31 December 2017** if the Designated Market Maker fulfils the obligations.
Refund of transaction fees amounts to 50 percent for transactions in the electronic order book on Eurex Exchange and to 50 percent for off-book on Eurex Exchange upon fulfilment of the obligation for the individual sector future (excluding banks futures). Refund of transaction fees amounts to 30 percent for transactions in the electronic order book on Eurex Exchange and for off-book on Eurex Exchange upon fulfilment of the obligation for banks futures (FESB/FSTB). Refund of transaction fees amounts to 75 percent for transactions in the electronic order book at Eurex Exchange and to 50 percent for off-book transactions at Eurex Exchange upon fulfilment of the obligation for the sector futures quotation package (banks sector futures FESB and FSTB not included).
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 Eurex Market-Making Obligations are not fulfilled.

b) Offer a revenue sharing where EUR 0.10 per contract of the total volume generated by Block Trades in sector index futures included in the package (banks sector futures FESB and FSTB not included) is distributed on a quarterly basis to the leading five Designated Market Makers. Eurex will evaluate on a monthly basis which Market Makers have complied with the obligations of the Designated Market Maker Scheme for sector index futures package STXSF. Based on the respective amount of traded contracts on M- or P-accounts in the order book, these five most active Market Makers (provided the quote obligations of 23 products/month) will be determined by the end of each quarter to participate in the revenue sharing scheme. The amount will be determined as the ratio of the trading volume of one single Market Maker out of the total trading volume of the top five Market Makers on the M-account. The maximum revenue pool distribution amount is limited to/capped at EUR 250,000 per quarter.

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 obligations of the Designated Market Maker Scheme 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:

   1. A significant change in the Contract Specifications for Futures Contracts and Options Contracts at Eurex Deutschland and Eurex Zürich for the aforementioned products.

   2. 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 (1) calendar month's prior notice.

7. The Participant shall be notified of any changes to this Agreement and the Eurex Market-Making Obligations at least three (3) business days prior to the effective date thereof. The Participant accepts the amendments, provided a written objection is not filed with ECAG and EFAG within three (3) business days after the publication. ECAG and EFAG reserve the right to terminate the contract in case of non-acceptance of the amendments.

8. EFAG and ECAG offer this contractual agreement to interested Trading Participants. With the signature of the Trading Participant, this Agreement automatically becomes a binding contract, even without counter-signature of representatives of EFAG and ECAG.

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.