X-pand into the Future

eurex circular 264/11

Date: October 28, 2011
Recipients: All Trading Members of Eurex Deutschland and Eurex Zürich and Vendors
Authorized by: Jürg Spillmann

Equity Options: Change of Intra-Day Non-Disclosure Limits for OTC Block Trades

Related Eurex Circulars: 236/09

Contact: Christian Csomos (Eurex Product Development), tel. +44-207-8 62-72 35,
e-mail: christian.csomos@eurexchange.com

Content may be most important for:

➲ All departments

Attachments:

1. Adjusted threshold grouping for equity options on product level
2. List of changes in non-disclosure limits for equity options

Summary:

The Executive Board of Eurex Clearing AG decided to change the intra-day non-disclosure limits for OTC Block Trades in equity options in the context of the yearly review of these limits.

Block Trades reaching or exceeding the corresponding threshold of either 20,001, 10,001, 5,001, 2,501 or 1,001 contracts will not be disclosed by the Eurex® system intra-day. In order to guarantee non-disclosure in such cases, each trade will be validated against the respective non-disclosure limit determined by Eurex Clearing on product level. On the following day, the entire trade volume (including trade volumes that were not disclosed intra-day) will be updated and distributed to the market.

The new non-disclosure levels for OTC Block Trades in equity options will come into effect on **November 14, 2011**.

Equity Options: Change of Intra-Day Non-Disclosure Limits for OTC Block Trades

The Executive Board of Eurex Clearing AG decided to change the intra-day non-disclosure limits for OTC Block Trades in equity options in the context of the yearly review of these limits.

Block Trades reaching or exceeding the corresponding threshold of either 20,001, 10,001, 5,001, 2,501 or 1,001 contracts will not be disclosed by the Eurex® system intra-day.

The new non-disclosure levels for OTC Block Trades in equity options will come into effect on November 14, 2011.

1. Definition Non-Disclosure Limit

An intra-day non-disclosure limit for OTC Block Trades in equity options is defined as one of the five pre-defined threshold values as of and including sizes of 20.001, 10.001, 5.001, 2.501 and 1.001 contracts. Block Trades that reach or exceed the respective limit will not be disclosed intra-day by the Eurex® system. In order to guarantee non-disclosure in such cases, each trade will be validated against the respective non-disclosure limit determined by Eurex Clearing on product level. On the following day, the entire trade volume (including trade volumes that were not disclosed intra-day) will be updated and distributed to the market.

2. Eurex GUI Trading Windows affected by Intra-Day Non-Disclosure of OTC Block Trades

Trades that exceed the non-disclosure limit are not distributed intra-day, neither via the Enhanced Broadcast Solution interface nor via the VALUES interface in the Public Broadcast Streams. Such trades will also not be distributed via the new Market Data interface which will become available with Eurex Realease 14.0. Also, the "Accumulated Trade Quantity" of these trades will not be considered.

In detail, the following Eurex GUI windows that contain intra-day public market data will not display trades that exceed the non-disclosure limit, nor consider these trades in the Accumulated Trade Quantities.

Affected windows in the Eurex GUI	Intra-day non-disclosure of volumes in fields				
	FutVol	PVol	Cvol	Qty	Volume
Trading Support - Product Statistics Overview	n/a	✓	✓	n/a	n/a
Trading Support - Contract Statistics Overview	n/a	✓	✓	n/a	n/a
Market Information - Online Times and Sales Sheet	n/a	n/a	n/a	✓	n/a
Market Information - Market Overview	n/a	✓	✓	n/a	n/a
Market Information - Contract Overview	n/a	n/a	n/a	n/a	✓

n/a = not applicable

Since strategy trades are split up in various trade legs, the non-disclosure limit also applies to strategy trade legs with volumes that exceed the limit.

In contrast to public market information, broadcast streams and requests that contain private market data contain all trades, as before.

3. Disclosure of Information on OTC Block Trades on the following Day

After the batch run, reports will also contain updated volumes, including the ones that were not displayed. Also, all Block Trades (including price and quantity) that exceeded the non-disclosure limit can be requested in the "Online Times and Sales Sheet" by using the function "Select Trading Filter" and by entering the date of the previous day.

4. Information on Non-Disclosure Limit

Attached to this circular is a list of the new non-disclosure limits per group and on single product basis.

An overview of the EurexOTC trading parameters on product level are contained in the Excel file "Eurex product list and product groups". The list is available for download on the eurex website under the following path:

www.eurexchange.com > Trading & Products > Wholesale Trading Parameters

For direct access to the document, please click on the following link:
http://www.eurexchange.com/trading/wholesale/otc_en.html

The Excel file contains the product parameter "Block Volume Publication Limit" (see column "Blk Vol Pub Limit"), which reflects the cap for those volumes, up to which OTC Block Trades will be published for the various products. As of November 14, 2011, Block Volume Publication Limits for OSTK products will be updated in the Excel file with regard to the new limits.

Transactions entered via the Multilateral Trade Registration facility will not be affected by the intra-day non-disclosure limits for equity options. These transactions will be displayed intra-day, as before. Display of trading volumes will not be limited, even if individual partial transactions or the total volume of the trades entered via the Multilateral Trade Registration facility exceed the non-disclosure limit.

October 28, 2011

New OTC block trade non-disclosure limits for equity options - November 2011

20,001		10,001		5,001		2,501				1,001					
Group A	Country Code	Group B	Country Code	Group C	Country Code	Group D	Country Code	Group D	Country Code	Group E	Country Code	Group E	Country Code	Group E	Country Code
ABBN	CH	BAS	DE	ADEN	CH	ADS	DE	OMV	AT	ACR	FR	KABN	CH	SOL	BE
AEN	NL	BAY	DE	**ALV**	DE	AFR	FR	PEU	FR	AIR	FR	KD8	DE	SOW	DE
CBK	DE	CBKE	DE	ASG5	IT	AHO	NL	**POR3**	DE	AKE	FR	KDB	BE	**SPSN**	CH
CGE	FR	CSGN	CH	AXA	FR	AIX	DE	PPHN	CH	AKU	NL	KNIN	CH	STMN	CH
DPW	DE	DAI	DE	BBVD	ES	ALVE	DE	QCE	DE	ANDR	AT	KUD	CH	STR	AT
DTE	DE	DB1	DE	BMW	DE	ASM	NL	REP	ES	AOM	FR	KUNN	CH	SUN	CH
EOA	DE	DBK	DE	BSD2	ES	**ATLN**	CH	ROG	CH	AOP5	IT	LAG	FR	THP	FR
IFX	DE	FO4	BE	CAR	FR	BAEN	CH	SCMN	CH	BALN	CH	**LISP**	CH	TLSN	FI
NESN	CH	HNR1	DE	CFR	CH	BASE	DE	SDR1	FR	BNR	DE	LONN	CH	UBL	FR
NOA3	FI	HOLN	CH	CLN	CH	BAYE	DE	SGE	FR	BPD	IT	LOR	FR	UEI	IT
UBSN	CH	INN	NL	CRI5	IT	**BEI**	DE	**SLHN**	CH	BSV3	DE	LRC	FR	UNC	BE
		KPN	NL	EAD	FR	BNP	FR	SMPA	FI	BX7	BE	LUK	RU	UTDI	DE
		LHA	DE	ENUR	FI	BSN	FR	SNW	FR	CAJ	FR	LXS	DE	VAC	FR
		PST	AT	FTE	FR	BYG	FR	**SOON**	CH	CARB	FR	MBTN	CH	VCN	CH
		ROY	NL	GBF	DE	CGM	FR	SQU	FR	CSF	FR	MOH	FR	VOE	AT
		RWE	DE	GOB	FR	CIL	FR	SY1	DE	DSM	NL	MOS	BE	VOS	DE
		SIE	DE	GZF	FR	CLS	DE	**SYST**	CH	DYS1	FR	MTX	DE	VSA	FR
		SIEE	DE	IBE	ES	CON	DE	SZG	DE	EAI	BE	NDA	DE	WFT	CH
		SZU	DE	IES5	IT	DBW1	DE	TGM	DE	EBS	IT	NDX1	DE	WIE	AT
		TKA	DE	ISPB	NL	DLG	DE	TQI5	IT	EF3	FR	NEF	FI	WIN	DE
		UHR	CH	MEO	DE	DTEE	DE	TTEB	FI	EFC	BE	NU3	NL	WOS	NL
				MRK	DE	DXB	FR	VO3	DE	EFGN	CH	NVJ	BE	ZDC	FR
				MUV2	DE	E2F	FR	VOW	DE	EIA	FI	OEM	NL	ZIL	DE
				NOVN	CH	ENL5	IT	VVD	FR	ENT5	IT	PER	FR		
				OERL	CH	FIA5	IT	WCH	DE	EOAE	DE	PIL	IT		
				PHI1	NL	FME	DE			ERCB	SE	PPX	FR		
				RHDI	FR	FNT	DE			ESL	FR	PRY	IT		
				RPL	FI	FOT	FI			F3D	NL	**PSPN**	CH		
				RWEE	DE	GAM	CH			FIAB	IT	PU4	FR		
				SAP	DE	GAZ	RU			FIN	CH	QIA	DE		
				SDF	DE	HEI	DE			FMNB	IT	RHI	AT		
				SGM	FR	HEN3	DE			FPE3	DE	RHK	DE		
				SKY	DE	HNK	NL			FRA	DE	RHM	DE		
				SREN	CH	IMO	AT			FRE	DE	RIBH	AT		
				SWV	DE	ISPA	NL			FSE	FR	RIGN	CH		
				SYNN	CH	ITK	BE			G1A	DE	RNL	FR		
				TK1	AT	IXD	ES			GALN	CH	SAZ	DE		
				TNE5	ES	KCO	DE			**GEBN**	CH	SBMO	NL		
				TOTB	FR	LEO	DE			GIVN	CH	SEJ	FR		
				TUI	DE	LIN	DE			GLD	DE	SEV	FR		
				UNI	NL	LOGN	CH			HDB	IT	SGL	DE		
				VER	AT	MAN	DE			HMI	FR	SGSN	CH		
				VVU	FR	MCH	FR			HOT	DE	**SIK**	CH		
				XCA	FR	NOA4	FI			ICL	AT	SMA	DE		
				ZURN	CH	NOBE	CH			IR3A	NL	SND	FR		

disclosure per class by number of OTC block trades (during Jan-Sep 2011 using new limits)

20,001	10,001	5,001	2,501	1,001
99.3%	**99.5%**	**96.0%**	**96.2%**	**93.7%**
99.4%	99.5%	97.4%	97.0%	84.1%

OVERALL DISCLOSURE

97.80%

97.85%

top 10 traded contracts 2011 ytd

top 20 traded contracts 2011 ytd

bold = contract size harmonization in March 2011

light grey = % disclosure if current thresholds would not be changed

all other Eurex Equity Options not listed here will be included in the threshold group of 1001 contracts, except UK and Irish Equity Options for which at present Non-Disclosure does not apply

Product ID	Product Name	OLD threshold Sep 2010	NEW threshold Nov 2011				Product ID	Product Name	OLD threshold Sep 2010	NEW threshold Nov 2011	
CBK	Commerzbank	10,000	20,000	↗			SIE	Siemens	20,000	10,000	↘
DPW	Deutsche Post	10,000	20,000	↗			CSGN	Credit Suisse Group	20,000	10,000	↘
ABBN	ABB	10,000	20,000	↗			SIEE	Siemens [european]	20,000	10,000	↘
UBSN	UBS	10,000	20,000	↗			SREN	Swiss Re	20,000	5,000	↘
EOA	E.ON	5,000	20,000	↗			**ALV**	Allianz	20,000	**5,000**	↘
IFX	Infineon	10,000	20,000	↗			**MUV2**	Münchener Rück	20,000	**5,000**	↘
CGE	Alcatel-Lucent	5,000	20,000	↗			**SAP**	SAP	20,000	**5,000**	↘
AEN	AEGON	5,000	20,000	↗			SYNN	Syngenta	10,000	5,000	↘
SZU	Südzucker	5,000	10,000	↗			SDF	K+S	10,000	5,000	↘
ROY	Royal Dutch Shell	5,000	10,000	↗			TUI	TUI	10,000	5,000	↘
PST	Österreichische Post	2,500	10,000	↗			FTE	France Télécom	10,000	5,000	↘
HNR1	Hannover Rück	1,000	10,000	↗			ZURN	Zurich Financial Services	10,000	5,000	↘
HOLN	Holcim	5,000	10,000	↗			BMW	BMW	10,000	5,000	↘
KPN	Royal KPN	5,000	10,000	↗			AXA	AXA	10,000	5,000	↘
FO4	ageas	5,000	10,000	↗			ADEN	Adecco	10,000	5,000	↘
VER	Verbund	2,500	5,000	↗			MEO	Metro	10,000	5,000	↘
MRK	Merck	2,500	5,000	↗			ISPB	Arcelor Mittal Basket	10,000	5,000	↘
GOB	Saint-Gobain	2,500	5,000	↗			RWEE	RWE [european]	10,000	5,000	↘
CRI5	UniCredit	2,500	5,000	↗			**SYST**	Synthes	10,000	**2,500**	↘
IES5	Intesa Sanpaolo	2,500	5,000	↗			**POR3**	Porsche	20,000	**2,500**	↘
SKY	Sky Deutschland	2,500	5,000	↗			**BEI**	Beiersdorf	5,000	**2,500**	↘
CAR	Carrefour	1,000	5,000	↗			**ATLN**	Actelion	5,000	**2,500**	↘
EAD	EADS	1,000	5,000	↗			LOGN	Logitech	5,000	2,500	↘
GZF	GDF Suez	2,500	5,000	↗			ROG	Roche Holding	5,000	2,500	↘
TK1	Telekom Austria	1,000	5,000	↗			SCMN	Swisscom	5,000	2,500	↘
OERL	OC Oerlikon Corporation	1,000	5,000	↗			**SLHN**	Swiss Life Holding	5,000	**2,500**	↘
RHDI	Rhodia	1,000	5,000	↗			MAN	MAN	10,000	2,500	↘
AIX	Aixtron	1,000	2,500	↗			DXB	Dexia	5,000	2,500	↘
WCH	Wacker Chemie	1,000	2,500	↗			ISPA	Arcelor Mittal	5,000	2,500	↘
AFR	Air France-KLM	1,000	2,500	↗			ITK	Anheuser-Busch-InBev	5,000	2,500	↘
BYG	Bouygues	1,000	2,500	↗			ADS	Adidas	10,000	2,500	↘
E2F	Electricité de France	1,000	2,500	↗			CON	Continental	5,000	2,500	↘
IMO	IMMOFINANZ	1,000	2,500	↗			FME	Fresenius Medical Care	5,000	2,500	↘
BAEN	Julius Bär Gruppe	1,000	2,500	↗			HEN3	Henkel pref.	5,000	2,500	↘
GAM	GAM Holding	1,000	2,500	↗			QCE	Q-Cells	5,000	2,500	↘
NOBE	Nobel Biocare	1,000	2,500	↗			SZG	Salzgitter	5,000	2,500	↘
CLS	Celesio	1,000	2,500	↗			FOT	Fortum	5,000	2,500	↘
HEI	HeidelbergCement	1,000	2,500	↗			TQI5	Telecom Italia	5,000	2,500	↘
KCO	Klöckner & Co	1,000	2,500	↗			BASE	BASF [european]	10,000	2,500	↘
IXD	Inditex	1,000	2,500	↗			LIN	Linde	5,000	2,500	↘
SMPA	Sampo	1,000	2,500	↗			REP	Repsol YPF	5,000	2,500	↘
CGM	Capgemini	1,000	2,500	↗			**SOON**	Sonova	5,000	**2,500**	↘
MCH	Michelin	1,000	2,500	↗			TGM	Tognum	5,000	2,500	↘
PEU	Peugeot	1,000	2,500	↗			VOW	VW	10,000	2,500	↘
OMV	OMV	1,000	2,500	↗			HNK	Heineken	5,000	2,500	↘
DLG	Dialog Semiconductor	1,000	2,500	↗			ALVE	Allianz [european]	20,000	2,500	↘
FNT	Freenet	1,000	2,500	↗			DTEE	Deutsche Telekom [european]	20,000	2,500	↘
LEO	LEONI	1,000	2,500	↗			NOA4	Nokia 4th Friday Weekly Options	20,000	2,500	↘
SY1	Symrise	1,000	2,500	↗			DBW1	Deutsche Bank 1st Friday Weekly Options	10,000	2,500	↘
TTEB	Tieto	1,000	2,500	↗			BAYE	Bayer [european]	10,000	2,500	↘
SDR1	SCOR	1,000	2,500	↗			KDB	KBC Groep	2,500	1,000	↘
							SAZ	Stada Arzneimittel	5,000	1,000	↘
							ACR	Accor	2,500	1,000	↘
							CARB	Carrefour Basket	2,500	1,000	↘
							LOR	L'Oréal	2,500	1,000	↘
							MOH	LVMH	2,500	1,000	↘
							RNL	Renault	2,500	1,000	↘
							ENT5	Eni	2,500	1,000	↘
							IR3A	Imtech	10,000	1,000	↘
							RIBH	Raiffeisen Bank International	5,000	1,000	↘
							KNIN	Kühne & Nagel	10,000	1,000	↘
							RIGN	Transocean	2,500	1,000	↘
							EOAE	E.ON [european]	5,000	1,000	↘
							CSF	Thalès	2,500	1,000	↘
							FIAB	Fiat Basket	2,500	1,000	↘
							WIE	Wienerberger	5,000	1,000	↘
							NU3	Nutreco	10,000	1,000	↘
			* bold marks products where contract size has been changed in March 2011								