Eurex-Rundschreiben 034/18

1. Regulatorisches Market-Making: Anpassung von Spread-Parametern in ausgewählten Benchmark-Futures
2. Nicht-monetäre Liquidity Provider-Programme: Anpassung von Spread-Parametern in ausgewählten Benchmark-Futures

Die Geschäftsführung der Eurex Deutschland und der Vorstand der Eurex Frankfurt AG haben mit Wirkung zum **22. Juni 2018** folgende Beschlüsse gefasst:

1. Anpassung von Spread-Parametern in ausgewählten Fixed Income-Futures und Anpassung der Berechnungsmethode für das Regulatorische Market-Making gemäß Anhang 1;
2. Anpassung von Spread-Parametern in ausgewählten Aktienindex-Futures für nicht-monetäre Liquidity Provider-Programme gemäß Anhang 2.

Die Anpassungen werden vorgenommen, um die Spread-Anforderung mit der aktuellen Marktbreite in diesen Produkten zu harmonisieren.

Anhänge:
(nur in Englisch)
1. Eurex Quotation Parameters for Regulatory Market-Making (Änderungsversion)
2. Liquidity Provider Schemes without monetary incentives (Änderungsversion)

Datum: 23. Mai 2018

Empfänger:
Alle Handelsteilnehmer der Eurex Deutschland und Vendoren

Autorisiert von:
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Eurex Quotation Parameters for Regulatory Market-Making

Version 1.1~~0~~, valid as of 22 June ~~3 January~~ 2018

Procedure

The maximum bid-ask range according to Articles 1 and 2 of Commission Delegated Regulation (EU) 2017/578 is determined by the Management Board of Eurex Deutschland ~~and the Executive Board of Eurex Zürich AG~~ (see section 53 of Eurex Exchange Rules and sections 1.1.d. and 1.2 of Eurex Circular 102/17). These are set as follows:

- For products where schemes (Product Specific Supplements) already exist, the maximum spread requirement of the Basis Building Block is used. If there are several Basis Building Blocks per product, the ~~highest~~ smallest maximum spread value is used.
- For products where schemes do not exist, the maximum spread requirements are set as outlined below.

The size requirement as well as other requirements apply as outlined in Articles 1 and 2 of Commission Delegated Regulation (EU) 2017/578.

Attachment 1 to Eurex circular 034/18

Maximum Spread Parameters

Product Type / Product	Name	Legal Product Group	Spread Class*	Spread Absolute**	Spread Percent**	Spread Ticks**
FBND						
CONF	FUT 8-13 Y. SWISS GOV.BONDS 6%	FIXED INCOME FUTURES				15
FBTM	MID TERM EURO BTP FUTURES	FIXED INCOME FUTURES				25
FBTP	EURO BTP FUTURES	FIXED INCOME FUTURES				~~3~~1
FBTS	SHORT TERM EURO-BTP FUTURES	FIXED INCOME FUTURES				~~3~~1
FGBL	FUT 8 1/2-10 1/2 Y.GOV.BOND 6%	FIXED INCOME FUTURES				~~3~~1
FGBM	FUT 4 1/2-5 1/2Y.GOV.BONDS 6%	FIXED INCOME FUTURES				~~3~~1
FGBS	FUT 1 3/4-2 1/4 Y.GOV.BONDS 6%	FIXED INCOME FUTURES				~~3~~1
FGBX	FUT ON 24-35 Y.GOV.BOND 4%	FIXED INCOME FUTURES				~~3~~1
FOAM	EUR MID TERM OAT FUT. 4,5-5,5Y	FIXED INCOME FUTURES				25
FOAT	EURO OAT FUTURE 8,5- 10,5 YEAR	FIXED INCOME FUTURES				~~3~~1
FSWL	10Y EURO-SWAP FUTURE	INTEREST RATE SWAPS FUTURES				25
FSWM	5Y EURO-SWAP FUTURE	INTEREST RATE SWAPS FUTURES				25
FSWS	2Y EURO-SWAP FUTURE	INTEREST RATE SWAPS FUTURES				25
FSWX	30Y EURO-SWAP FUTURE	INTEREST RATE SWAPS FUTURES				25
	Other FBND - LDX IRS Constant maturity futures			60		
	All other FBND					3

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FINT					
FEU3	THREE-MONTH-EURIBOR FUT. (ACI)	MONEY MARKET FUTURES			12
	All other FINT				6
FINX					
	Other FINX - Commodity Index Futures	COMMODITY INDEX FUTURES		2%	
	Other FINX - Index Dividend Futures	INDEX DIVIDEND FUTURES		3%	
	Other FINX - Property Index Futures	PROPERTY INDEX FUTURES			80
	All other FINX			3%	
OCUR					
OCAY	OPT ON AUD/JPY	CURRENCY OPTIONS	RMM-3		
OCEY	OPT ON EUR/JPY	CURRENCY OPTIONS	RMM-3		
OCUY	OPT ON USDJPY	CURRENCY OPTIONS	RMM-3		
	All other OCUR		RMM-2		
OFIT					
	All other OFIT				12
OFIX					
	All other OFIX		RMM-1		
OSTK					
OCRU	OPT ON ETFS WTI CRUDE OIL	OPTIONS ON EXCHANGE-TRADED COMMODITIES SECURITIES	RMM-4		
OPHA	OPT ON ETFS PHYS GOLD	OPTIONS ON EXCHANGE-TRADED COMMODITIES SECURITIES	RMM-4		

* Spread Classes are defined below

** Valid for all strikes/expiries

Spread Classes for Regulatory Market-Making

Spread Class	Bid up to	Maximum spreads for Maturity Range	Unit
RMM-1	0 – 3.99	0.80	Tick
	4.00 – 19.99	20%	PCT
	> 20.00	4.00	Tick
RMM-2	0 – 0.00995	0.002	Tick
	0.01 – 0.15	20%	PCT
	> 0.15	0.03	Tick
RMM-3	0 – 0.045	0.01	Tick
	0.05 – 0.745	20%	PCT
	> 0.75	0.15	Tick
RMM-4	0 – 1.50	0,25	Tick
	1.51 – 15.00	15%	PCT
	> 15.00	2,25	Tick

Related sources

- Commission Delegated Regulation (EU) 2017/578
- Eurex Exchange Rules, Sections 52 and 53
- Eurex Circular 102/17
- Eurex Market-Making Website: www.eurexchange.com > Trading > Market Making and Liquidity Provisioning

Attachment 2 to Eurex circular 034/18

Liquidity Provider Schemes without monetary incentives

Valid from 22 June ~~as of 7 May~~ 2018

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Preamble

This Product Specific Supplement for Liquidity Provider Schemes without monetary incentives (hereinafter referred to as "Product Specific Supplement") forms an integral part of the LPA. For the avoidance of doubt, Sec. 1 of the LPA applies.

As of 1 January 2018 several Liquidity Provider Schemes without monetary incentives will be offered until further notice.

1. Applicable Building Blocks

Pursuant to Sec. 2.3 of the General Supplement to the LPA, the granting of rebates and the concrete rebate levels to be applied on the respective transaction fees are dependent on the fulfilment of Building Blocks. For this Product Specific Supplement, the following Building Blocks are applicable:

Scheme	Product Scope	Basis BBB	Package PBB	Strategy CBB	Larger Size LBB	Tighter Spread TBB	Stress Presence SBB	Revenue Sharing
Index Futures	Equity Index Futures with MMO-flag and without monetary Liquidity Provider Scheme	✓					✓	
ETF Options	ETF Options with MMO-flag and without monetary Liquidity Provider Scheme	✓					✓	
ETF Futures	ETF Futures with MMO-flag and without monetary Liquidity Provider Scheme	✓					✓	
Variance Futures EVAR	EVAR: EURO STOXX 50® Variance Futures	✓						

The requirements for Strategy Block, Larger Size Block, Tighter Spread Block and Stress Presence Block are product group specific and can be found in section 2.3.3 to 2.3.6 of the General Supplement to the LPA.

2. Liquidity Provider Rebates

Upon fulfilment of the Building Block requirements of one product, Liquidity Providers shall receive a fee rebate as specified in section 3 of the General Supplement to the LPA in accordance with the table below. The evaluation takes place on a monthly basis.

Execution type	Building Block	Upon fulfilment of requirements
Order book	**Basis**	**0%**
	Package	**-**
	Strategy	**-**
	Larger Size	**-**
	Tighter Spread	**-**
	Stress Presence	**0%**
	Total	**0%**
Off-book*	**Basis**	**0%**
	Package	**-**
	Strategy	**-**
	Total	**0%**

***** Only off-book block and multilateral transactions are eligible for off-book rebates for Liquidity Provisioning

3. Building Block Requirements

3.1. Basis Block Requirements

In order to receive the Liquidity Provider Rebates pursuant to Sec. 2 above, the following quotation requirements shall apply to each product individually:

	Index Futures	ETF Options	ETF Futures	Variance Futures EVAR
Quotation Period:	See quotation parameters table below (cp. Sec. 5.2)	09:00 – 17:30		
Required Coverage:	70%			80%
Maturity Range:	The front month needs to be quoted. Five exchange days prior to expiration, Liquidity Providers may choose to quote either the front month or the second expiration month	The first six expirations need to be quoted	The front month needs to be quoted	The first eight expirations need to be quoted. Five exchange days prior to expiration the front month does not have to be quoted.
Strike Price Window:	n.a.	5 out of 7	n.a.	n.a.
Response to Quote Requests:	n.a.	Quote requests do not have to be answered	n.a.	n.a.
Minimum Quote Size:	See quotation parameters table below (cp. Sec. 4.2)	100 contracts on the bid and ask side	5 contracts on the bid and ask side	The following amounts of notional Vega on the bid and ask side: Exp 1: 5,000 Exp 2-3: 10,000 Exp 4-5: 25,000 Exp 6-8: 50,000
Maximum Spread:	See quotation parameters table below (cp. Sec. 4.2)	Spread Class “ETF O” (cp. Sec. 4.1)	Spread Class “ETF F” (cp. Sec. 4.1)	Spread Class “EVAR” (cp. Sec. 4.1)

4. Quotation Requirements

4.1. Available Spread Classes

Spread Class	Bid up to	Maximum Spread	Unit
ETF O	1.0	0.15	Index Points
	5.0	15%	Percent
		0.75	Index Points

Spread Class	Bid up to	Maximum Spread	Unit
ETF F	50	0.2	Index Points
		0.40%	Percent

Spread Class	Maximum Spread			Unit
	Exp. 1	Exp. 2-3	Exp. 4-8	
EVAR	3	2	1.5	Volatility Points

4.2. Quotation Parameters

The following quotation parameters apply for the quotation requirements pursuant to Sec. 3 above

Product	Product ID	Basis Maximum Spread (percent or index points)	Basis Minimum Quote Size (contracts)	Expirations to be quoted, the first	Quotation Period
FUTURES ON MDAX	F2MX	~~0.50%~~1	5	1	9:00-17:30
FUTURES ON DAX INDEX	FDAX	~~4~~0.5	2	1	9:00-17:30
FUTURES ON DIVDAX	FDIV	~~0.50%~~0.05	5	1	9:00-17:30
FUTURES ON EURO STOXX SEL.DIV 30	FEDV	~~7~~0.5	25	1	9:00-17:30
FUTURES ON EURO STOXX BANKS	FESB	~~0.50%~~0.1	25	1	9:00-17:30
FUTURES ON EURO STOXX 50	FESX	~~2~~1	10	1	9:00-17:30
FUTURES ON EURO STOXX 50 EX FIN	FEXF	~~7~~0.5	25	1	9:00-17:30
FUTURES ON OMX HELSINKI 25 INDEX	FFOX	0.50%	5	1	9:00-17:30
FUTURES ON STOXX GLOB. SEL DIV 100	FGDV	0.50%	5	1	9:00-17:30
~~FUTURES ON SENSEX INDEX~~	~~FSEN~~	~~0.50%~~	~~5~~	~~1~~	~~9:00-17:30~~
FUTURES ON SLI	FSLI	~~10~~0.1	10	1	9:00-17:20
FUTURES ON SWISS MARKET INDEX	FSMI	~~0.25%~~1	5	1	9:00-17:20
FUTURES ON SMIM	FSMM	~~0.50%~~1	5	1	9:00-17:20
FUTURES ON STOXX EUROPE 50	FSTX	~~7~~1	25	1	9:00-17:30
FUTURES ON TA35 INDEX	FT25	0.50%	5	1	9:00-16:35
FUTURES ON TECDAX	FTDX	~~0.50%~~0.5	5	1	9:00-17:30
ALL OTHR INDEX FUTURES		0.50%	5	1	9:00-17:30