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eurex clearing *circular 015/17*

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Recipients: All Clearing Members, Non-Clearing Members and Registered Customers of Eurex Clearing AG and Vendors

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Eurex Clearing Prisma: Introduction of Release 5.1 and further steps to decommission RBM

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Content may be most important for:

- Front Office/Trading
- Middle + Back Office
- Auditing/Security Coordination

Attachment:

Eurex Clearing Prisma 5.1 Release Notes

Summary:

Eurex Clearing Prisma, the portfolio-based risk management method, offers an innovative way to maintain reliable margin levels providing at the same time considerable capital efficiencies to the Clearing Members.

Prisma Release 5.1 extends technical support to multiple clearing houses. In particular, technical preconditions for the inclusion of products cleared by European Commodity Clearing (ECC) will be added to Prisma with Release 5.1. Therefore, some technical adjustments in the naming conventions of the Prisma transparency enabler files and CP reports are required.

With this circular, Eurex Clearing announces that these technical changes will be introduced in production on **12 June 2017**.

Eurex Clearing Prisma: Introduction of Release 5.1 and further steps to decommission RBM

1. Introduction

Eurex Clearing Prisma, the portfolio-based risk management method, offers an innovative way to maintain reliable margin levels providing at the same time considerable capital efficiencies to the Clearing Members.

Prisma Release 5.1 extends support to multiple clearing houses. In particular, technical preconditions for the inclusion of products cleared by European Commodity Clearing (ECC) will be added to Prisma with Release 5.1. Therefore, some technical adjustments in the naming conventions of the Prisma transparency enabler files and CP reports are required.

2. Technical changes for Eurex Clearing Prisma Release 5.1

In connection with Eurex Clearing Prisma Release 5.1, some mandatory technical changes will be introduced in production on 12 June 2017.

As of this date, the technical preconditions for including products cleared by ECC will be created, i.e. a separate set of transparency enabler files will be created for ECC. The functional go-live and the start of the transition period for ECC cleared products is subject to regulatory approval and will be communicated by ECC. For details, please contact ECC under clearing@ecc.de.

To differentiate the Eurex Clearing and ECC sets of files, the naming convention of the Eurex Clearing transparency enabler files will be updated.

For detailed information, please refer to the attached Prisma 5.1 Release Notes, which can also be downloaded in the Member Section of the Eurex Clearing website www.eurexclearing.com under the following path:

Member Section > Risk & Collateral Management > Eurex Clearing Prisma > Documents & Circulars > Documents Release 5.1

Other than that, no further changes to the structure or layout of the transparency enabler files are planned.

3. Further technical changes

To comply with the existing name convention for the CP reports, the file name convention for the report CP007 will be adjusted as of 12 June 2017 as follows:

Current naming convention	Future naming convention
[XX]RTP[rptcode][membId][YYMMDD][membClgIdCod][HHMM].[YYY]	[XX]RTP[rptcode][membId][YYMMDD][membClgIdCod][HHMM**SS**].[YYY]

Other than that, no further changes to the structure or layout of this file are planned.

Also, the naming convention for files containing mapping details of Prisma eligible products to Liquidation Groups will be changed as follows:

Current naming convention	Future naming convention
[XX]PRLG[XX]PUBLI[YYMMDD][Liquidation Group].[YYY]	[XX]FIL[Liquidation Group]PUBLI[YYMMDD].[YYY]

Other than that, no further changes to the structure or layout of these files are planned.

4. RBM file decommissioning

With the introduction of Prisma Release 5.0, the Prisma methodology will apply to all Eurex Exchange Traded Derivatives (ETDs). Therefore, as of 21 February 2017, the following files will no longer be published on the Eurex Clearing Website:

- Prisma non-eligible products
- Margin group parameters
- Spread margin parameters

All other RBM files will remain available until further notice.

If you have any questions, please contact Risk Control at tel. +49-69-211-1 24 52 or risk@eurexclearing.com.

5. Replacement of margin parameter file by Price Change Percentile (PCP) for the determination of mistrade ranges

As Risk-Based Margining (RBM) has been discontinued for Exchange Traded Derivatives, Price Change Percentile (PCP), a new measure of price volatility, will replace the RBM margin parameters effective 12 June 2017.

Margin parameters will continue to be maintained and used during the following six weeks for mistrade ranges. After this transition period, PCP will be used solely for calibrating mistrade parameters.

Following the transition period, margin parameter files posted on the Eurex Clearing website should no longer be used in evaluating mistrades. Instead, a new PCP file will be published, containing the product ID and percentage change value, which should be used for determining mistrades.

If you have any questions, please contact Eurex Trading Operations at tel. +49-69-211-1 12 10 or eurextrading@eurexchange.com.

9 February 2017



Eurex Clearing Prisma

Release 5.1

Release Notes

Final version

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1. Introduction

Eurex Clearing Prisma successfully introduced portfolio margining for Eurex listed equity and equity index derivatives, assigned to the Equity Liquidation Group PEQ01 with Release 1.0.

Release 2.0 introduced Eurex listed fixed income and money market derivatives, assigned to the Fixed Income Liquidation Group PFI01 and the support of cross-margining between listed fixed income derivatives and OTC IRS products. Release 2.05 extended the cross-margining functionality also to flexible accounts.

Exchange-Traded Fund (ETF) derivatives, assigned to the Equity Liquidation Group PEQ01; Precious Metals derivatives, assigned to the Precious Metal Liquidation Group PPM01; Commodity Index futures, assigned to the Commodity Liquidation Group PCM01; and LDX Constant Maturity Swap Futures, assigned to the Liquidation Group PGE01, are available in Eurex Clearing Prisma since August 2015.

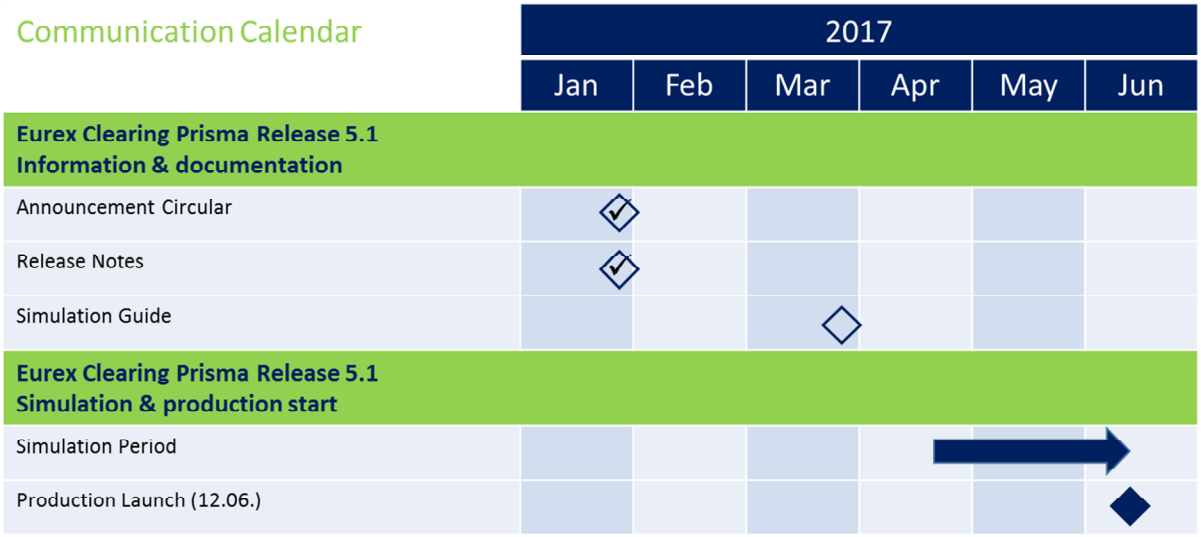
FX derivatives, assigned to the FX Liquidation Group PFX01; KOSPI options and TAIFEX futures and options, assigned to the Asia Cooperation Liquidation Group PAC01; Commodity Index options, assigned to the Commodity Liquidation Group PCM01; and Property Index futures, assigned to the Property Liquidation Group PPR01, are available since Release 4.0 in November 2015.

The introduction of VSTOXX® Derivatives, Variance Futures, and Dividend Derivatives, assigned to the Equity Liquidation Group PEQ01, with Release 5.0 in November 2016 completed the migration of all listed Eurex derivatives from RBM to Eurex Clearing Prisma.

Eurex Clearing is planning to launch Release 5.1 on **June 12th, 2017** without significant functional changes for Eurex Clearing members. The main scope of Release 5.1 is the migration of listed European Energy Exchange (EEX) derivatives to Eurex Clearing Prisma for members of the European Commodity Clearinghouse (ECC). The only impact on Eurex Clearing members is the modification of naming conventions for Transparency Enabler files and specific member reports. This is a mandatory change for Eurex Clearing members.

1.1 Further reading

The following documents will be published for Eurex Clearing Prisma Release 5.1:



The documents will be available in the Members Section on the Eurex Clearing website member.eurexclearing.com **> Risk & Collateral Management > Eurex Clearing Prisma > Documents & Circulars > Documents Release 5.1**

1.2 Contacts

Eurex Clearing provides intensive support for Members during their preparations for the introduction of Eurex Clearing Prisma Release 5.1. The following teams can be contacted concerning any questions related to the preparation for and participation in the simulation period and production launch of each release.

Risk Hotline
Telephone: +49 (69) 21 1 – 1 24 52
Fax: +49 (69) 21 1 – 1 84 40
eMail: risk@eurexclearing.com

Customer Technical Support
Telephone: Your dedicated VIP number is available in the Member Section
eMail: eurex-help@deutsche-boerse.com

Member Section Hotline
Telephone: +49 (69) 21 1 – 1 78 88
eMail: member.section@eurexclearing.com

2. Functional Enhancements

2.1 Changes in Transparency Enabler (TE) Files

Starting with Release 5.1 a separate set of Transparency Enabler files will be created, since also ECC will use the Prisma methodology for the margining of listed EEX derivatives.

To differentiate the Eurex Clearing and ECC sets of files, the naming convention of the Eurex Clearing transparency enabler files will be updated as follows:

a. Theoretical Price and Instrument Configuration File

	Current values / conventions	**Future values / conventions**
File short name	THEOINST	THEOI
File part numbering	CHAR(4)_CHAR(4) Example: 0001_0004	CHAR(2)_CHAR(2) Example: 01_04
Clearinghouse ID	n.a.	EUXC for ECAG EEXC for ECC
Naming convention	**Public** [Environment ID][File Short Name]PUBLI[Date][Open Interest or Non Open Interest]SERIES[Version][File Part Numbering].[Extension(txt/zip)] Example: 01THEOINSTPUBLI20161212 OISERIESEODX0001_0002.TXT_ZIP	**Public** [Environment ID]**FIL**[File Short Name]PUBLI[Date]**[Clearinghouse ID]**[Open Interest or Non Open Interest][Version][File Part Numbering].[Extension(txt/zip)] Example: 01**FIL**THEOIPUBLI20161212 **EUXC**OIEODX01_02.TXT_ZIP
	Private [Environment ID][File Short Name][Member ID][Date][ClgMember ID][Version][File Part Numbering].[Extension(txt/zip)] Example: 01THEOINSTABCDE20161212 ABCDEEODX0001_0001.TXT_ZIP	**Private** [Environment ID]**FIL**[File Short Name][Member ID][Date][ClgMember ID]**[Clearinghouse ID]**[Version][File Part Numbering].[Extension(txt/zip)] Example: 01**FIL**THEOIABCDE20161212 ABCDE**EUXC**EODX01_01.TXT_ZIP

b. Other transparency enabler files

		Current values / conventions	Future values / conventions
File short name	**Risk Measure Configuration**	RISKMEAS	RIMEC
	Risk Measure Aggregation	MRKTRISK	MARIA
	FX Rates	FOREXCRT	FOREX
	Market Capacity	MRKTCAPA	MARCA
	Liquidity Factor	LIQUFACT	LIQFA
	Settlement Price	STLPRICE	STLPR
	Materiality Parameter	MTRLPARM	MATPA
	FI & MM Priority	FIMMPRIO	FIMMP
	Maturity Bucket	MATRTBKT	MATBU
	DV01 and PNL	DV01PNLX	DV01P
Clearinghouse ID		n.a.	EUXC for ECAG EEXC for ECC
Naming convention		[Environment ID][File Short Name]PUBLI[Date][Version].[Extension(txt/zip)] Example: 01FOREXCRTPUBLI20161212EODX.TXT_ZIP	[Environment ID]**FIL**[File Short Name]PUBLI[Date][**Clearinghouse ID**][Version].[Extension(txt/zip)] Example: 01**FIL**FOREXPUBLI20161212 **EUXC**EODX.TXT_ZIP

No further change to the structure or the layout of the transparency enabler files is planned.

2.2 Changes in Member Reports

To comply with the existing naming convention for the CP reports, the file name for report CP007 will change as follows:

[Environment ID]RPTCP007[Member ID][Date][ClgMember ID][**Time**].xml

Format for [Time] will change from HHMM to **HHMMSS**.

No further change to the structure or the layout of this file is planned.

In addition, the naming convention for the files showing the mapping of Prisma eligible products to Liquidation Groups will be changed as follows:

	Current conventions	Future conventions
Naming convention	[Environment ID]PRLG[XX]PUBLI[YYMMDD][Liquidation Group].TXT	[Environment ID]**FIL**[Liquidation Group]PUBLI[YYMMDD].TXT

No further change to the structure or the layout of these files is planned.