Eurex Circular 060/18

Index and equity derivatives: Amendment of trading hours for derivatives on Russian and Austrian underlyings

Summary

The Management Board of Eurex Deutschland took the following decisions, effective as of **3 September 2018**:

- To end Continuous Trading in options on the RDX® USD and RDX® EUR indices and Russian equity options;
- To change the trading hours in equity options with the group IDs RU11 and RU12;
- To end trading on the last trading day at 17:30 CET in futures and options on the RDX® USD and RDX® EUR indices as well as equity options with the group IDs RU11 and RU12;
- To end trading on the last trading day at 17:45 CET in Single Stock Futures with the group ID RU01;
- To change the opening of Continuous Trading and Off-book Trading in equity options with the group IDs AT11 and AT12.

This circular provides information on the changes of the impacted products and the updated sections of the relevant Rules and Regulations of Eurex Deutschland. Information on clearing of the relevant products are contained in Eurex Clearing circular 068/18, which we are providing to our Trading Participants as Attachment 3.

The Liquidity Provider Schemes will be adjusted for the extended trading hours with effect from 3 September 2018, but will remain unchanged in the minimum requirements and available incentive schemes.

Attachments:

1. Updated sections of the Contract Specifications for Futures Contracts and Options Contracts at Eurex Deutschland
2. Product Specific Supplement to the Liquidity Provider Scheme for Futures and Options on RDX® EUR and RDX® USD Indices
3. Eurex Clearing circular 068/18

Date: 2 August 2018

Recipients:
All Trading Participants of Eurex Deutschland and Vendors

Authorized by: Michael Peters

Target groups:
- Front Office/Trading
- Middle + Back Office

Contact:
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Index and equity derivatives: Amendment of trading hours for derivatives on Russian and Austrian underlyings

Background

The London Stock Exchange (LSE) decided to extend the trading hours for stocks listed in the International Orderbook segment by one hour to 17:30 CET, effective as of 3 September 2018.

As a consequence, the trading hours for various products based on stocks traded in the International Orderbook need to be aligned with the new trading hours as of 3 September 2018. In addition, the opening times for continuous trading and off-book trading in Austrian equity options with the group IDs AT11 and AT12 will be adjusted to the already existing times of the underlying cash market at Vienna Exchange.

1. Derivatives on the RDX® USD and RDX® EUR indices

For futures on the RDX® USD and RDX® EUR indices, only the end of trading on the last trading day needs to be adjusted. For options on the RDX® USD and RDX® EUR indices, the continuous trading phase needs to be extended in addition.

The following table shows the adjusted trading hours (changes in bold, all times CET):

Product	Product ID	Pre-Trading Period	Continu-ous Trading	Post-Trading Period until	Off-book Trading Period	Off-book Post-Trading Period until	Last Trading Day	
							Trading until	Exer-cise until
RDX® EUR Index Futures	FRDE	07:30-07:50	07:50-22:00	22:30	08:00-22:00	22:15	**17:30**	N/A
RDX® USD Index Futures	FRDX	07:30-07:50	07:50-22:00	22:30	08:00-22:00	22:15	**17:30**	N/A
RDX® EUR Index Options Contracts	ORDE	07:30-08:50	08:50-**17:30**	20:30	09:00-19:00	19:15	**17:30**	20:30
RDX® USD Index Options Contracts	ORDX	07:30-08:50	08:50-**17:30**	20:30	09:00-19:00	19:15	**17:30**	20:30

Please note that the determination of the Final Settlement Price remains unchanged. The RDX® USD and RDX® EUR index derivatives use the RDX® USD/RDX® EUR index value based on the closing auction of the respective ADRs (American Depository Receipts) traded at the LSE.

Effective 3 September 2018, the Liquidity Provider Schemes will be adjusted to reflect the extended trading hours. The Liquidity Provider obligations and the offered incentives remain unchanged. Please see Attachments 1 and 2 for further details.

2. Equity options with the group IDs RU11/RU12 and AT11/AT12

For Russian equity options with the group IDs RU11/RU12, the close of continuous trading will be moved by one hour to 17:30 CET. The exercise period will be aligned with all other equity options and will be extended to 20:00 CET. In addition, the opening time of continuous trading and the off-book trading period for equity options with the group IDs AT11/AT12 and RU11/RU12 will be aligned with all other equity options.

The following table shows the adjusted trading hours (changes in bold, all times CET):

Product	Pre-Trading Period	Continu-ous Trading	Post-Trading Period until	Off-book Trading Period	Off-book Post-Trading Period until	Last Trading Day	
						Trading until	Exer-cise until
AT11, AT12	07:30-**09:00**	**09:00**-17:36	17:36-20:00	**09:00**-19:00	19:15	17:36	20:00
RU11, RU12	07:30-**09:00**	**09:00**-17:30	**17:30**-20:00	09:00-19:00	19:15	**17:30**	**20:00**

The Liquidity Provider Schemes will remain unchanged. Please refer to attachment 1 for further information.

3. Single Stock Futures with the group ID RU01

For Russian Single Stock Futures with the group ID RU01, the trading hours on the last trading day will be extended until 17:45 CET.

The following table shows the adjusted trading hours (changes in bold, all times CET):

Product	Pre-Trading Period	Continu-ous Trading	Post-Trading Period until	Off-book Trading Period	Off-book Post-Trading Period until	Last Trading Day
						Trading until
RU01	07:30-08:56	08:56-17:45	19:36	09:01-19:36	19:51	**17:45**

Please refer to attachment 1 for further information.

For more information, please contact Tobias Ehinger via telephone +49-69-211-1 23 13 or e-mail tobias.ehinger@eurexchange.com.

2 August 2018

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AMENDMENTS ARE MARKED AS FOLLOWS:

INSERTIONS ARE UNDERLINED

DELETIONS ARE CROSSED OUT

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[…]

Part 1 Contract Specifications for Futures Contracts

[…]

Subpart 1.3 Contract Specifications for Index Futures Contracts

The following subpart contains contract specifications for Futures contracts on stock index ("Index Futures Contracts").

1.3.4 Last Trading Day, Final Settlement Day, Close of Trading

[…]

(4) Close of trading on the last trading day

[…]

- for RDX® EUR and RDX® USD Index Futures Contracts shall be the close of trading in continuous electronic trading at London Stock Exchange (LSE International Orderbook) at 45:30 p.m. CET

[…]

[…]

Part 2 Contract Specifications for Options Contracts

[…]

Subpart 2.4 Contract Specifications for Index Options

The following subpart contains contract specifications for Options Contracts on stock indices ("Index Options").

[…]

2.4.5 Last Trading Day, Final Settlement Day, Close of Trading

[…]

(3) Close of Trading on the last trading day for

[…]

- RDX® USD Index Options Contracts and RDX® USD Index Options Contracts shall be the close of trading of continuous electronic trading at London Stock Exchange (LSE International Orderbook) at 4~~5~~:30 p.m. CET.

[…]

[…]

Annex C in relation to Contract Specifications:

Trading Hours for Futures Contracts

[…]

Index Futures Contracts

Product	Product ID	Pre-Trading Period	Continuous Trading	Post-Trading Period Until	Off-book Trading Period	Off-book Post-Trading Period until	Last Trading Day
							Trading Until
[…]							
RDX® EUR Index Futures	FRDE	07:30-07:50	07:50-22:00	22:30	08:00-22:00	22:15	1~~6~~7:30
RDX® USD Index Futures	FRDX	07:30-07:50	07:50-22:00	22:30	08:00-22:00	22:15	1~~6~~7:30
[…]							

* During daylight savings time in Germany (CEST), trading in Germany on the last trading day ends at 12:00 CET.
All times CET

[…]

Individual Equity Futures

Group ID pursuant to Annex A	Pre-Trading Period	Continuous Trading	Post-Trading Period Until	Off-book Trading Period	Off-book Post-Trading Period until	Last Trading Day
						Trading Until
[…]						
RU01	07:30-08:56	08:56-17:45	19:36	09:01-19:36	19:51	1~~6~~7:4~~0~~5
[…]						

* On the last trading day, the Post Trading Full-Period starts at 15:30 (Expiry month March: 14:30) and ends at 22:30
All times CET

[…]

Trading Hours for Options Contracts

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Index Options Contracts

Product	**Product ID**	**Pre-Trading Period**	**Continuous Trading**	**Post-Trading Period Until**	**Off-book Trading Period**	**Off-book Post-Trading Period until**	**Last Trading Day**	
							Trading Until	Exercise until
[…]								
RDX® EUR Index Options Contracts	ORDE	07:30-08:50	08:50-16~~7~~:30	20:30	09:00-19:00	19:15	16~~7~~:30	20:30
RDX® USD Index Options Contracts	ORDX	07:30-08:50	08:50-16~~7~~:30	20:30	09:00-19:00	19:15	16~~7~~:30	20:30
[…]								

* During daylight savings time in Germany (CEST), trading in Germany on the last trading day ends at 12:00 CET

** Concerns exercise on the expiration day following the last trading day

All times CET

[…]

Options Contracts and Low Exercise Price Options on Shares of Stock Corporations

Product	**Pre-Trading Period**	**Continuous Trading**	**Post-Trading Period Until**	**Off-book Trading Period**	**Off-book Post-Trading Period until**	**Last Trading Day**	
Options Contracts/LEPOs on shares with group ID assigned pursuant to Annex B						Trading Until	Exercise until
[…]							
AT11, AT12	07:30-09:0~~5~~0	09:00~~5~~-17:36	17:36-20:00	09:00~~15~~-19:00	19:15	17:36	20:00
[…]							
RU11, RU12	07:30-09:00~~5~~	~~0~~09:0~~5~~0-16~~7~~:30	11~~6~~7:30-20:00*	09:~~1~~500-19:00**	19:15	16~~7~~:30	~~17~~20:~~4~~00

~~* On the last trading day: 16:30-17:40~~

~~** On the last trading day: 16:30-17:00~~

All times CET

[…]

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Liquidity Provider Scheme for Futures on RDX® EUR and RDX® USD Indices

Valid from 3 September 2018
Contact: Tobias Ehinger, Product R&D Equity and Index, T +49-69-211-1 23 13, tobias.ehinger@eurexchange.com

Preamble

This Product Specific Supplement for Futures on RDX® EUR and RDX® USD Indices (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 3 September 2018 a Liquidity Provider scheme for Futures on RDX® EUR and RDX® USD Indices will be offered until and including 31 December 2018. Additionally, a revenue sharing scheme for Futures on RDX USD Index will be offered as of 3 September 2018 until and including 31 December 2018.

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 ID	Basis BBB	Package PBB	Strategy CBB	Larger Size LBB	Tighter Spread TBB	Stress Presence SBB	Revenue Sharing
FRDX	FRDX	✓					✓	✓
FRDE	FRDE	✓					✓	

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 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	FRDX	FRDE
Order book	Basis	80%	70%
	Package	-	-
	Strategy	-	-
	Larger Size	-	-
	Tighter Spread	-	-
	Stress Presence	0%	0%
	Total	80%	70%
Off-book*	Basis	60%	40%
	Package	-	-
	Strategy	-	-
	Total	60%	40%

* 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:

	FRDX	FRDE
Quotation Period:	09:00 – 17:30 CET	
Required Coverage:	90%	
Maturity Range:	The front month needs to be quoted	The first two expirations need to be quoted
Minimum Quote Size:	75 contracts on the bid and ask side	50 contracts on the bid and ask side
Maximum Spread:	0.75%	1.00 %

4. Other monetary incentive schemes: Revenue Sharing

A revenue sharing scheme for Futures on RDX® USD Index is offered as of 3 September 2018 until 31 December 2018 in accordance with section 3.1.2 of the General Supplement to the LPA. The evaluation takes place on a monthly basis.

	FRDX
Revenue Sharing Pool:	Up to 15% of the net revenues of the product FRDX
Participation Condition:	Fulfilment of Basis Block requirements of the product FRDX
Number of Participants:	Up to 3
Qualification criterion:	The top 3 fulfilling Liquidity Providers participate; ranked according to their share of trading volume in M-accounts (order book) of all fulfilling Liquidity Providers
Distribution Method:	Ranked according to their share of trading volume in M-accounts (order book) of all qualifying Liquidity Providers the top Liquidity Provider will receive 8% of the net revenues, while 3.5% will be shared with the Liquidity Provider ranked 2 and another 3.5% with the Liquidity Provider ranked 3

VAT on the Revenue Sharing amounts shall be borne by the Liquidity Provider, if applicable, and will be offset against any due and unpaid Revenue Sharing amount.

Liquidity Provider Scheme for Options on RDX® USD and RDX® EUR Indices

Valid from 3 September 2018
Contact: Tobias Ehinger, Product R&D Equity and Index, T +49-69-211-1 23 13, tobias.ehinger@eurexchange.com

Preamble

This Product Specific Supplement for Options on RDX® USD and RDX® EUR Indices (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 3 September 2018 a Liquidity Provider scheme for Options on RDX® EUR Indices will be offered until further notice. Additionally, as of 1 January 2018 a Liquidity Provider scheme and a revenue sharing scheme for Options on RDX® USD Indices will be offered until and including 31 December 2018.

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 ID	Basis BBB	Package PBB	Strategy CBB	Larger Size LBB	Tighter Spread TBB	Stress Presence SBB	Revenue Sharing
ORDE	ORDE	✓			✓	✓	✓	
ORDX	ORDX	✓					✓	✓

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 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	ORDX	ORDE
Order book	**Basis**	**80%**	**According to Eurex Clearing Price List**
	Package	**-**	
	Strategy	**-**	
	Larger Size	**-**	
	Tighter Spread	**-**	
	Stress Presence	**0%**	
	Total	**80%**	
Off-book*	**Basis**	**60%**	**According to Eurex Clearing Price List**
	Package	**-**	
	Strategy	**-**	
	Total	**60%**	

* 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:

	ORDE	ORDX
Quotation Period:	09:00 – 17:30 CET	
Required Coverage:	85%	90%
Maturity Range:	The first six expirations need to be quoted	
Strike Price Window:	5 out of 7	7 out of 9
Response to Quote Requests:	Quote requests do not have to be answered	
Minimum Quote Size:	50 contracts on the bid and ask side	75 contracts on the bid and ask side
Maximum Spread:	Spread Class “ORDE” (cp. Sec. 5.1)	Spread Class “ORDX” (cp. Sec. 5.1)

4. Other monetary incentive schemes: Revenue Sharing

A revenue sharing scheme for Options on RDX® USD Index is offered as of 1 January 2018 until 31 December 2018 in accordance with section 3.1.2. of the General Supplement to the LPA. The evaluation takes place on a monthly basis.

	ORDX
Revenue Sharing Pool:	Up to 15% of the net revenues of the product ORDX
Participation Condition:	Fulfilment of Basis Block requirements of the product ORDX
Number of Participants:	Up to 3
Qualification criterion:	The top 3 fulfilling Liquidity Providers participate; ranked according to their share of trading volume in M-accounts (order book and off-book) of all fulfilling Liquidity Providers
Distribution Method:	Ranked according to their share of trading volume in M-accounts (order book and off-book) of all qualifying Liquidity Providers the top Liquidity Provider will receive 8% of the net revenues, while 3.5% will be shared with the Liquidity Provider ranked 2 and another 3.5% with the Liquidity Provider ranked 3

VAT on the Revenue Sharing amounts shall be borne by the Liquidity Provider, if applicable, and will be offset against any due and unpaid Revenue Sharing amount.

5. Quotation Requirements

5.1. Available Spread Classes

Spread Class	Bid up to	Maximum Spread	Unit
ORDE	40	8	Index Points
	400	20%	Percent
		80	Index Points

Spread Class	Bid up to	Maximum Spread	Unit
ORDX	40	8	Index Points
	400	20%	Percent
		80	Index Points

Eurex Clearing Circular 068/18

Index and equity derivatives: Amendment of trading hours for derivatives on Russian and Austrian underlyings

Eurex Deutschland will amend the trading hours for derivatives on the RDX® USD and RDX® EUR indices, for Russian equity options, Single Stock Futures and Austrian equity options, as outlined in Eurex circular 060/18. Therefore, the following measures of Eurex Clearing will come into effect as of **3 September 2018**:

- Amendment of the Clearing Conditions of Eurex Clearing AG (Clearing Conditions)
- Amendment of the Product Specific Supplement to the Liquidity Provider Scheme for Futures on RDX® EUR and RDX® USD indices

As a result of the trading hours amendment for derivatives on RDX® USD and RDX® EUR indices, the Liquidity Provider Schemes will be adjusted with effect from 3 September 2018. The minimum requirements and available incentive schemes will be remain unchanged.

Please refer to the attachment for the updated sections of the Clearing Conditions of Eurex Clearing AG (Clearing Conditions). As of the effective date, the full versions of the amended Clearing Conditions will be available for download on the Eurex Clearing website www.eurexclearing.com under the following link:

Resources > Rules and Regulations > Clearing Conditions

For information on the amendment of trading hours for index and equity derivatives, the updated sections of the relevant Rules and Regulations of the Eurex Exchanges and the updated "Product Specific Supplement, please refer to Eurex circular 060/18.

Pursuant to Chapter I, Part 1, Number 17.2.6 of the Clearing Conditions, each Affected Customer accepts each change or amendment to the Clearing Conditions, unless it objects by written notice to Eurex Clearing within fifteen (15) Business Days prior to the effective date. The rights to terminate the Clearing Agreement and Clearing Licenses according to Chapter I, Part 1, Number 2.1.4 Paragraph 2, Number 7.2.1 (4) and Number 13 of the Clearing Conditions shall remain unaffected.

Attachments:

- Updated sections of the Clearing Conditions of Eurex Clearing AG

Date: 2 August 2018

Recipients:
All Clearing Members, Basic Clearing Members, OTC IRS FCM Clients, Non-Clearing Members, Registered Customers of Eurex Clearing AG

Authorized by:
Erik Tim Müller

Target group:
All departments

Related circular:
Eurex circular 060/18

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Chairman of the Supervisory Board:
Hugo Bänziger

Executive Board:
Erik Tim Müller (CEO),
Heike Eckert (Deputy CEO),
Matthias Graulich,
Thomas Laux,
Manfred Matusza

Aktiengesellschaft mit Sitz in Frankfurt/Main
HRB Nr. 44828
USt-IdNr. DE194821553
Amtsgericht Frankfurt/Main

Kapitel II der Clearing-Bedingungen der Eurex Clearing AG

Transaktionen an der Eurex Deutschland

(Eurex-Börse)

Stand 03.09.2018

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ÄNDERUNGEN SIND WIE FOLGT KENNTLICH GEMACHT:

ERGÄNZUNGEN SIND UNTERSTRICHEN

LÖSCHUNGEN SIND DURCHGESTRICHEN

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Abschnitt 2 Clearing von Futures-Kontrakten

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2.1.2 Täglicher Abrechnungspreis

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(5) Referenzzeiten

Für die Bestimmung des Täglichen Abrechnungspreises der jeweiligen Kontrakte gelten die in der Tabelle vorgesehenen Referenzzeiten:

Kontrakt	**Referenzzeit (MEZ)**
[…]	
RDX® EUR-Futures, RDX® USD-Futures	1~~6~~7:30
[…]	

[…]

[…]

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Chapter II of the Clearing Conditions of Eurex Clearing AG

Transactions Concluded at Eurex Deutschland

(Eurex Exchange)

As of 03.09.2018

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AMENDMENTS ARE MARKED AS FOLLOWS:

INSERTIONS ARE UNDERLINED

DELETIONS ARE CROSSED OUT

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Part 2 Clearing of Futures Contracts

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2.1.2 Daily Settlement Price

[…]

(5) Reference times

The scheduled reference times for the determination of the daily settlement prices for the respective Contracts are set out in the table below:

Contract	Reference Time (CET)
[…]	
RDX® EUR Futures, RDX® USD Futures	1~~6~~7:30
[…]	

[…]

[…]

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