X-pand into the Future

eurex *rundschreiben 261/14*

Datum: 5. Dezember 2014
Empfänger: Alle Handelsteilnehmer der Eurex Deutschland und Eurex Zürich sowie Vendoren
Autorisiert von: Mehtap Dinc

⚠ **Hohe Priorität**

EUR Secured Funding Futures-Kontrakt: Änderung des Market-Making-Programms

Verweis auf Eurex Clearing-Rundschreiben: 178/14

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Zielgruppe:	**Anhang:**
➲ Alle Abteilungen	(nur in Englisch) Market-Making scheme EUR Secured Funding Futures

Mit Wirkung zum **8. Dezember 2014** wird das bestehende Market-Making-Programm für den EUR Secured Funding Futures-Kontrakt, das mit Eurex-Rundschreiben 177/14 bekannt gegeben wurde, wie folgt ersetzt. Das neue Market-Making beginnt am 8. Dezember 2014:

Vom **1. Januar 2015 bis 31. März 2016** erhalten registrierte Market Maker, die ihre Quotierungsverpflichtungen erfüllen, 100 Prozent Rabatt auf die Transaktionsentgelte. Des Weiteren werden 50 Prozent der Nettoerlöse unter den fünf nach ihrem Anteil am Handel besten Market Makern aufgeteilt.

Die fünf nach ihrem Anteil am Handel besten Market Maker, die ihre Quotierungsverpflichtungen während vier von sechs Monaten in der Zeit vom **8. Dezember 2014 bis 31. Mai 2015** erfüllen, qualifizieren sich für eine Verlängerung des Programms bis zum 31. März 2017. Wenn diese Market Maker ihre Quotierungsverpflichtungen zwischen dem **1. April 2016 und dem 31. März 2017** erfüllen, erhalten sie 100 Prozent Rabatt auf die Transaktionsentgelte sowie 30 Prozent der monatlichen Nettoerlöse.

Die entsprechenden Details des Market-Making-Programms sind dem Anhang zu entnehmen. Für bereits registrierte Market Maker ist keine Aktion erforderlich.

Market-Making scheme for the EUR Secured Funding Futures replacing the existing scheme communicated in Eurex circular 177/2014

The new Market-Making scheme runs from 8 December 2014 until 31 March 2016 with the possibility to extend it further from 1 April 2016 until 31 March 2017.

Quoting Obligations:

Market Makers are obliged to supply bid and ask quotes in the Outrights and Consecutive months spreads during the Quotation Time calculated on a monthly average in order to qualify for any Fee Rebates and Revenue Sharing.

Quote Obligations - Outrights					Quote Obligations - Consecutive months spreads				
Nearest expiry months	Quotation Time	Market-Making Scheme Tier	Maximum Spread (bid/ask)	Minimum quote size per side in lots	Nearest expiry months	Quotation Time	Market-Making Scheme Tier	Maximum Spread (bid/ask)	Minimum quote size per side in lots
exp 1 - 2	80% of the trading day (8:00 a.m. - 6:00 p.m.CET)	Tier 1	3 bps	50	exp 1 vs. exp 2	80% of the trading day (8:00 a.m. - 6:00 p.m.CET)	Tier 1	2 bps	100
		Tier 2	5 bps	200			Tier 2	3 bps	250
exp 3 - 5	80% of the trading day (8:00 a.m. - 6:00 p.m.CET)	Tier 1	3 bps	25	exp 2 vs. exp 3, exp 3 vs. exp 4, exp4 vs. exp 5	80% of the trading day (8:00 a.m. - 6:00 p.m.CET)	Tier 1	2.5 bps	100
		Tier 2	5 bps	150			Tier 2	4 bps	150

Market Makers can elect on a monthly basis to either quote according to the requirements as defined in Tier 1 for Outrights and Consecutive months or Market Makers can quote according to the requirements as defined in Tier 2 for Outrights and Consecutive months.

Eurex will review the Market-Making obligations on a semi-annual basis.

Qualification Period:

Conditions for qualification for the extension of the Market-Making scheme from 1 April 2016 until 31 March, 2017:

1) Market-Making scheme will only extend a further year from 1 April 2016 until 31 March 2017 if Market Makers fulfil their "Quoting Obligations" and supply bid and ask quotes in the Outrights and Consecutive months spreads during the Quotation Time for four out of six months within the "Qualification Period" of **8 December 2014 until 31 May 2015**.[1]
2) Only the top five of the fulfilling Market Makers by total trading volume in M and P accounts over the "Qualification Period" of **8 December 2014 until 31 May 2015** will qualify for an extension of the Market-Making scheme from 1 April 2016 until 31 March 2017

1 The period 8 December 2014 –31 December 2014 will count as a full month.

Fee Rebates:

From 1 January 2015 until 31 March 2016:

Upon fulfilment of the Market-Making quoting obligations in one of the two tiers for a calendar month, Market Maker firms will receive a total refund of transaction fees for EUR Secured Funding Futures contracts traded (order book and Eurex Trade Entry Services (Block trades, Exchange for Physicals & Exchange for Swaps)) on the M-accounts for the respective month. The fee rebate will be granted to fulfilling Market Makers from 1 January 2015 until 31 March 2016 on a monthly basis. Refunds apply for the entire member-firm Market-Making volume on the M-accounts.

From 1 April 2016 until 31 March 2017 (assuming Market Maker qualifies for this extension):

Upon fulfilment of the Market-Making quoting obligations in one of the two tiers for a calendar month, Market Maker firms will receive a total refund of transaction fees for EUR Secured Funding Futures contracts traded (order book and Eurex Trade Entry Services (Block trades, Exchange for Physicals & Exchange for Swaps)) on the M-accounts for the respective month. The fee rebate will be granted to fulfilling Market Makers from 1 April 2016 until 31 March 2017 on a monthly basis. Refunds apply for the entire member-firm Market-Making volume on the M-accounts.

Revenue Sharing:

From 1 January 2015 until 31 March 2016:

If the Market-Making obligations are fulfilled for one of the two tiers for a calendar month, **50 percent** of the monthly net revenues in EUR Secured Funding Futures are distributed to the five leading Market Makers according to their trading share (M and P account order book and Eurex Trade Entry Services (Block trades, Exchange for Physicals & Exchange for Swaps)).

From 1 April 2016 until 31 March 2017 (assuming Market Maker qualifies for this extension):

If the Market-Making obligations are fulfilled for one of the two tiers for a calendar month, **30 percent** of the monthly net revenues in EUR Secured Funding Futures are distributed to the five leading Market Makers according to their trading share (M and P - account order book and Eurex Trade Entry Services (Block trades, Exchange for Physicals & Exchange for Swaps)).

We would kindly ask interested parties to contact either Frank Odendall, frank.odendall@eurexchange.com or Maesa Beany, maesa.beany@eurexchange.com together with their Eurex Member ID and their respective contact details such that we could register and enable them for monitoring.

Currently registered Market Makers do not have to take any action.

5 December 2014