X-pand into the Future

e u r e x *circular 209/13*

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Recipients: All Trading Participants of Eurex Deutschland and Eurex Zürich and Vendors
Authorized by: Peter Reitz

Action required

Single Stock Dividend Futures: Adjustment of the Designated Market-Making schemes due to changes in the EURO STOXX 50® index

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Content may be most important for:	**Attachment:**
Ü All departments	Updated Designated Market-Making scheme Obligations for Single Stock Dividend Futures effective 1 October 2013

Summary:

In the course of the regular annual review of the indexes, STOXX Ltd. has announced that Deutsche Post AG will be included in the EURO STOXX 50® index and ArcelorMittal S.A. will leave the index effective **23 September 2013**. As a result, Eurex will adjust the ongoing Designated Market-Making schemes (DMM schemes) for Single Stock Dividend Futures (SSDF) as follows:

The SSDF on ArcelorMittal S.A. (I2SP) will remain in the DMM scheme for Single Stock Dividend Futures on dividends of EURO STOXX 50® index components until end of September 2013 and will be replaced by the SSDF on Deutsche Post AG (D2PW) effective **1 October 2013**. The SSDF on ArcelorMittal S.A. will be included in the DMM scheme for Single Stock Dividend Futures on dividends of EURO STOXX 50® index non-components as of 1 October 2013. The number of exceptions will remain unchanged.

1. Designated Market-Making scheme for Single Stock Dividend Futures on dividends of constituents of the EURO STOXX 50® Index

Outline

This Designated Market-Making scheme covers those Single Stock Dividend Futures (SSDFs) whose underlying shares are constituents of the EURO STOXX 50®.

The Designated Market Maker will be obliged to provide two-way quotes only for a certain number of these 50 constituents in order to receive the fee rebates detailed.

The quote size obligation for the third expiry is lower than those for the first and second expiries – no obligation is in place to quote longer expirations.
The spread and size classification will be reviewed on a quarterly basis.

Scheme obligations

In the order book:

Provision of quotes during the trading session	Provision of two-way quotes for the **first**, **second and third** contracts in the series of each constituent listed - with a minimum size on the bid and ask side and with a maximum percentage spread as detailed in **Table 1** below Provision of two-way quotes for each of the contracts in the series mentioned above - during **70 percent** of the quotation period of the trading day, from 09:00 to 17:30 CET, calculated on a monthly average.
Designated Market Maker Fees	Order Book Trades & Block Trades executed on M-accounts receive **50 percent** fee rebate upon fulfilment of obligations in regards of **30 out of 50 constituents**

Respond to Eurex Pricing Requests	Market Maker must respond to all Eurex Market Supervision pricing requests up to a maximum of two requests per contract per day - within 30 minutes - subject to this information being retained for use by Eurex in its calculations and not being for public dissemination in its original form

Table 1

Maximum percentage spreads and minimum quote size permissible for fulfilment of Market-Making:

Product Name	Product ID	Maximum Spreads			Minimum Size		
		1st Expiry	2nd Expiry	3rd Expiry	1st Expiry	2nd Expiry	3rd Expiry
Allianz Dividend Futures	A2LV	15%	15%	25%	30	30	15
Air Liquide Dividend Futures	A3IR	20%	20%	30%	30	30	15
Anheuser-Bush Dividend Futures	I2TK	15%	15%	25%	50	50	25
~~ArcelorMittal Dividend Futures~~	~~I2SP~~	~~25%~~	~~25%~~	~~35%~~	~~50~~	~~50~~	~~25~~
ASML Dividend Futures	A2SM	30%	30%	40%	50	50	25
Assicurazioni Generali Dividend Futures	A2SG	25%	25%	35%	50	50	25
AXA Dividend Futures	A2XA	20%	20%	30%	50	50	25
BBVA Dividend Futures	B3BV	20%	20%	30%	50	50	25
Banco Santander Dividend Futures	S2SD	20%	20%	30%	50	50	25
BASF Dividend Futures	B2AS	15%	15%	25%	30	30	15
Bayer Dividend Futures	B2AY	15%	15%	25%	50	50	25
BMW Dividend Futures	B2MW	15%	15%	25%	30	30	15
BNP Paribas Dividend Futures	B2NP	20%	20%	30%	50	50	25
Carrefour Dividend Futures	C3AR	30%	30%	40%	50	50	25
CRH Dividend Futures	C2RG	30%	30%	40%	50	50	25
Daimler Dividend Futures	D2AI	15%	15%	25%	30	30	15
Danone Dividend Futures	B2SN	20%	20%	30%	50	50	25
Deutsche Bank Dividend Futures	D2BK	20%	20%	30%	50	50	25
Deutsche Post Dividend Futures	D2PW	30%	30%	40%	50	50	25
Deutsche Telekom Dividend Futures	D2TE	20%	20%	30%	50	50	25
E.ON Dividend Futures	E2OA	15%	15%	25%	50	50	25
EADS Dividend Futures	E2AS	30%	30%	40%	50	50	25
Enel Dividend Futures	E2NL	25%	25%	35%	50	50	25
Eni Dividend Futures	E2NT	15%	15%	25%	50	50	25
Essilor International Dividend Futures	E2SL	25%	25%	35%	50	50	25
~~France Télécom~~ Orange Dividend Futures	F2TE	20%	20%	30%	50	50	25
GDF Suez Dividend Futures	G2ZF	15%	15%	25%	50	50	25
Iberdrola Dividend Futures	I2BE	25%	25%	35%	50	50	25
Inditex Dividend Futures	I3XD	20%	20%	30%	50	50	25
ING Groep Dividend Futures	I2NN	100%	100%	100%	50	50	25
Intesa Sanpaolo Dividend Futures	I3ES	100%	100%	100%	50	50	25
Koninklijke Philips Dividend Futures	P2HI	20%	20%	30%	50	50	25
L'Oréal Dividend Futures	L2OR	20%	20%	30%	30	30	15
LVMH Dividend Futures	M2OH	20%	20%	30%	30	30	15
Münchener Rück Dividend Futures	M2UV	15%	15%	25%	30	30	15
Repsol Dividend Futures	R2EP	25%	25%	35%	50	50	25
RWE Dividend Futures	R3WE	15%	15%	25%	30	30	15
Saint-Gobain Dividend Futures	G2OB	20%	20%	30%	50	50	25
Sanofi-Aventis Dividend Futures	S2NW	15%	15%	25%	30	30	15
SAP Dividend Futures	S3AP	20%	20%	30%	50	50	25
Schneider Electric Dividend Futures	S3ND	20%	20%	30%	50	50	25
Siemens Dividend Futures	S3IE	15%	15%	25%	30	30	15
Société Générale Dividend Futures	S2GE	25%	25%	35%	50	50	25

Telefónica Dividend Futures	T2NE	25%	25%	35%	50	50	25
Total Dividend Futures	T2OT	15%	15%	25%	30	30	15
Unibail-Rodamco Dividend Futures	U2BL	20%	20%	30%	30	30	15
UniCredit Dividend Futures	C3RI	100%	100%	100%	50	50	25
Unilever Dividend Futures	U2NI	20%	20%	30%	50	50	25
Vinci Dividend Futures	S2QU	20%	20%	30%	30	30	15
Vivendi Dividend Futures	V3VU	20%	20%	30%	50	50	25
VW pref. Dividend Futures	V2W3	15%	15%	25%	30	30	15

2. Designated Market-Making scheme for Single Stock Dividend Futures on dividends of non-constituents of the EURO STOXX50® index (non-EURO STOXX 50® package)

Outline

This Designated Market-Making scheme covers those Single Stock Dividend Futures (excluding Swiss and British SSDFs) on European stocks whose underlying shares are not constituents of the EURO STOXX 50®, combined in the non-EURO STOXX 50® package. The package allocation will be reviewed as and when additional SSDFs will be introduced.

The Designated Market Maker will be obliged to provide two-way quotes for 50 percent of the SSDFs contained in the non-EURO STOXX 50® package in order to receive the fee rebates detailed.

The quote size obligation for the third expiry is lower than those for the first and second expiries – there is no obligation to quote longer expirations.

Scheme obligations

In the order book:

Provision of quotes during the trading session	Provision of two-way quotes for the **first**, **second and third** contracts in the series of each constituent listed - with a minimum size on the bid and ask side and with a maximum percentage spread as detailed in **Table 2** below Provision of two-way quotes for each of the contracts in the series mentioned above - during **50 percent** of the quotation period of the trading day, from 09:00 to 17:30 CET, calculated on a monthly average.
Designated Market Maker Fees	Order Book Trades & Block Trades executed on M-accounts receive 50 percent fee rebate upon fulfilment of obligations in 50 percent of the products in the non-EURO STOXX 50® package (i.e. 7 out of 15 products)

Respond to Eurex Pricing Requests	Market Maker must respond to all Eurex Market Supervision pricing requests up to a maximum of two requests per contract per day - within 30 minutes - subject to this information being retained for use by Eurex in its calculations and not being for public dissemination in its original form

Table 2

Maximum percentage spreads and minimum quote size permissible for fulfilment of Market-Making:

		Maximum Spreads			Minimum Size		
Product Name	Product ID	1st Expiry	2nd Expiry	3rd Expiry	1st Expiry	2nd Expiry	3rd Expiry
Adidas Dividend Futures	A2DS	30%	30%	40%	30	30	15
AEGON Dividend Futures	A2EN	100%	100%	100%	30	30	15
ALSTOM Dividend Futures	A2OM	20%	20%	30%	30	30	15
ArcelorMittal Dividend Futures	I2SP	30%	30%	40%	30	30	15
Crédit Agricole Dividend Futures	X2CA	100%	100%	100%	30	30	15
Deutsche Börse Dividend Futures	D3B1	20%	20%	30%	30	30	15
~~Deutsche Post Dividend Futures~~	~~D2PW~~	~~30%~~	~~30%~~	~~40%~~	~~30~~	~~30~~	~~15~~
EDF Dividend Futures	E2DF	40%	40%	50%	30	30	15
METRO Dividend Futures	M2EO	30%	30%	40%	30	30	15
Nokia Dividend Futures	N2OA	100%	100%	100%	30	30	15
Pernod-Ricard Dividend Futures	P2ER	30%	30%	40%	30	30	15
~~PPR~~ Kering Dividend Futures	P2PX	30%	30%	40%	30	30	15
Renault Dividend Futures	R2NL	30%	30%	40%	30	30	15
Royal KPN Dividend Futures	K3PN	20%	20%	30%	30	30	15
Telecom Italia Dividend Futures	T2QI	30%	30%	40%	30	30	15
ThyssenKrupp Dividend Futures	T2KA	30%	30%	40%	30	30	15

3. Designated Market-Making scheme for British Single Stock Dividend Futures

Outline

This Designated Market-Making scheme covers Single Stock Dividend Futures (SSDFs) on British stocks which are combined in the British SSDFs package for Designated Market-Making. The package allocation will be reviewed as and when additional British SSDFs will be introduced.

The Designated Market Maker will be obliged to provide two-way quotes only on a certain percentage of the SSDFs contained in the British package.

The quote size obligation of the third expiry is lower than those for the first and second expiries – there is no obligation to quote longer expirations.

Scheme obligations

In the order book:

Provision of quotes during the trading session	Provision of two-way quotes for the **first**, **second and third** contracts in the series of each constituent listed - with a minimum size on the bid and ask side and with a maximum percentage spread as detailed in **Table 3** below Provision of two-way quotes for each of the contracts in the series mentioned above - during 70 percent of the quotation period of the trading day, from 09:00 a.m. to 17:30 p.m. (CET), calculated on a monthly average.
Designated Market Maker Fees	Order Book Trades & Block Trades executed on M-accounts receive **50 percent** fee rebate upon fulfilment of obligations in **50 percent** of the products in the British SSDFs package (**i.e. 8 out of 15 products**).
Respond to Eurex Pricing Requests	Market Maker must respond to all Eurex Market Supervision Pricing Requests up to a maximum of two requests per contract per day - within 30 minutes - subject to this information being retained for use by Eurex in its calculations and not being for public dissemination in its original form

Table 3

Maximum percentage spreads and minimum quote size permissible for fulfilment of Market-Making:

		Maximum Spreads			Minimum Size		
Product Name	Product ID	1st Expiry	2nd Expiry	3rd Expiry	1st Expiry	2nd Expiry	3rd Expiry
Anglo American Dividend Futures	A2AL	100%	100%	100%	50	50	25
AstraZeneca Dividend Futures	A2ZN	40%	45%	55%	50	50	25
Aviva Dividend Futures	A2V	20%	25%	35%	50	50	25
Barclays Dividend Futures	B3AR	200%	200%	200%	50	50	25
BG Group Dividend Futures	B2G	40%	45%	55%	50	50	25
BHP Billiton Dividend Futures	B2LT	100%	100%	100%	50	50	25
BP Dividend Futures	B2P	100%	100%	100%	50	50	25
BT Group Dividend Futures	B2T	40%	45%	55%	50	50	25
Diageo Dividend Futures	D2GE	40%	45%	55%	50	50	25
GlaxoSmithKline Dividend Futures	G3SK	40%	45%	55%	50	50	25
HSBC Dividend Futures	H2SB	100%	100%	100%	50	50	25
Royal Dutch Shell Dividend Futures	R2DA	20%	25%	35%	50	50	25
Rio Tinto Dividend Futures	R2TZ	100%	100%	100%	50	50	25
Tesco Dividend Futures	T2SC	20%	25%	35%	50	50	25
Vodafone Group Dividend Futures	V3O	20%	25%	35%	50	50	25

4. Designated Market-Making scheme for Swiss Single Stock Dividend Futures

Outline

This Designated Market-Making scheme covers Single Stock Dividend Futures (SSDFs) on Swiss stocks which are combined in the Swiss SSDFs package for Designated Market-Making. The package allocation will be reviewed as and when additional Swiss SSDFs will be introduced.

The Designated Market Maker will be obliged to provide two-way quotes only on a certain percentage of the SSDFs contained in the Swiss package.

The quote size obligation of the third expiry is lower than those for the first and second expiries – there is no obligation to quote longer expirations.

Scheme obligations

In the order book:

Provision of quotes during the trading session	Provision of two-way quotes for the **first**, **second and third** contracts in the series of each constituent listed - with a minimum size on the bid and ask side and with a maximum percentage spread as detailed in **Table 4** below Provision of two-way quotes for each of the contracts in the series mentioned above - during **70 percent** of the quotation period of the trading day, from 09:00 to 17:30CET, calculated on a monthly average.
Designated Market Maker Fees	Order Book Trades & Block Trades executed on M-accounts receive **50 percent** fee rebate upon fulfilment of obligations in **50 percent** of the products in the Swiss SSDFs package (**i.e. 6 out of 11 products**).

Respond to Eurex Pricing Requests	Market Maker must respond to all Eurex Market Supervision pricing requests up to a maximum of two requests per contract per day - within 30 minutes - subject to this information being retained for use by Eurex in its calculations and not being for public dissemination in its original form

Table 4

Maximum percentage spreads and minimum quote size permissible for fulfilment of Market-Making:

		Maximum Spreads			Minimum Size		
Product Name	Product ID	1st Expiry	2nd Expiry	3rd Expiry	1st Expiry	2nd Expiry	3rd Expiry
ABB Dividend Futures	A2BB	40%	45%	55%	50	50	25
Cie Financière Richemont Dividend Futures	C2FR	40%	45%	55%	50	50	25
Credit Suisse Group Dividend Futures	C3SG	20%	25%	35%	50	50	25
Nestlé Dividend Futures	N2ES	20%	25%	35%	30	30	15
Novartis Dividend Futures	N2OV	20%	25%	35%	30	30	15
Roche Holding Dividend Futures	R2OG	20%	25%	35%	5	5	2
Swisscom Dividend Futures	S2CM	20%	25%	35%	5	5	2
Swiss Re Dividend Futures	S3RE	20%	25%	35%	30	30	15
Syngenta Dividend Futures	S2YN	20%	25%	35%	5	5	2
UBS Dividend Futures	U2BS	200%	200%	200%	50	50	25
Zurich Financial Services Dividend Futures	Z2UR	20%	25%	35%	5	5	2

For the avoidance of doubt:

Where the first expiry in the contract series is December 2013 and the permissible percentage spread is noted as 20 percent for that expiry - then to fulfil the obligations the offer price must be no greater than the bid price plus 20 percent of that bid price.

For example: If the quoted bid is 3.50 and the permissible percentage spread is 20 percent then the offer price must be no greater than 4.20.

If a successor product in one of the underlying instruments is admitted for trading with a standard contract size due to a corporate action, the successor product will become part of the Quotation Requirements with effect from the first trading day of the next calendar month. This shall also apply if any index component is changed.