X-pand into the Future

eurex circular 141/12

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Recipients: All Trading Participants of Eurex Deutschland and Eurex Zürich and Vendors
Authorized by: Jürg Spillmann

⚠ **Action required** ⚠ **High priority**

Market-Making: Change in Quote Obligations

Related Eurex Circular: 137/12

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Content may be most important for:

➲ All departments

Attachments:

1. Updated Designated Market-Making Scheme for Single Stock Dividend Futures on the constituents of the EURO STOXX 50®, effective July 1, 2012
2. Updated Designated Market-Making Scheme for Single Stock Futures

Summary:

Due to the re-composition of the EURO STOXX 50® index as of June 18, 2012, the related Advanced Market-Making Packages and Designated Market-Making packages will be adjusted **effective July 1, 2012**.

Market-Making: Change in Quote Obligations

The changes in the EURO STOXX 50® will be applied to the Eurex Advanced Market-Making and Designated Market-Making packages effective July 1, 2012.

EURO STOXX 50® Options package

Product	Product ID	Spread Class	Minimum Quote Size (Contracts)		Number of expirations to be quoted for PMM/AMM; the first	AMM Package ID
			RMM	AMM/ PMM		
Options on						
EURO STOXX 50® Components						
DEUTSCHE BÖRSE	DB1	2	NA	20	8	~~ESX50~~ DE
TELECOM ITALIA	TQI5	A	NA	50	7	~~ESX50~~ IT
ASML	ASM	2	NA	20	7	ESX50 NL
ESSILOR	ESL	2	NA	10	6	ESX50 FR

Single Stock Futures: Designated Market-Making

No.	SSFs on	Product ID	Minimum Quote Size in Contracts	Spread Class	Package ID
SSFs in EUR					
27	DEUTSCHE BOERSE	DB1G	10	2	~~ESX50~~; DE; ESX50/DE/FR
77	TELECOM ITALIA	TQIF	25	2	~~ESX50~~; ESX50/DE/FR
89	ASML Holding	ASMG	10	2	ESX50; ESX50/DE/FR
90	Essilor International	EFXF	5	2	ESX50; ESX50/DE/FR; FR

Single Stock Dividend Futures: Designated Market-Making

As of July 1, 2012, the new Single Stock Dividend Futures on ASML Holding N.V. (A2SM) and Essilor International S.A. (E2SL) will be part of the existing Designated Market-Making (DMM) package for SSDFs on components of the EURO STOXX 50® index. As of the same date, SSDFs on shares of Deutsche Börse (D3B1)) and Telecom Italia (T2QI) the two companies which will leave the EURO STOXX 50® index will no longer be part of the aforementioned DMM package.
Please refer to attachment 1 for details on the adjustments to the DMM obligations.

Single Stock Dividend Futures on the Underlying Share of	Product ID	Bid/Offer Spread (Percentage)		
		First Expiration	Second Expiration	Third Expiration
ASML Holding N.V.	A2SM	40%	45%	55%
~~Deutsche Börse AG~~	~~D2B1~~	~~40%~~	~~45%~~	~~55%~~
Essilor International S.A.	E2SL	20%	25%	35%
~~Telecom Italia S.p.A.~~	~~T2QI~~	~~200%~~	~~200%~~	~~200%~~

Further Information

The complete list of Market Maker Obligations for options products can be found on the Eurex website www.eurexchange.com under the following path:

Trading & Products > Market Model > Market-Making > Market Maker Obligations

The conditions for the Eurex market-making schemes for Futures products are available at the Eurex website at:

Trading & Products > Market Model > Market-Making > Designated Market-Making

June 28, 2012

Designated Market-Making Scheme for Single Stock Dividend Futures on the constituents of the EURO STOXX 50®

Outline

This Designated Market-Making Scheme is to cover those Single Stock Dividend Futures whose underlying shares are constituents of the EURO STOXX 50®.

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

There are two thresholds of obligations, the lower of which will attract a rebate of 15 percent of fees, whilst the higher threshold attracts a 50 percent fee rebate.

The quote size obligation of the third expiry is lower than those for the first and second – no obligation is in place to quote longer expiriations.

Scheme Obligations

In the order book:

Provision of quotes during the trading session	Provision of two way quotes for the **first**, and **second** contracts in the series of each constituent listed - with a minimum size of 5 contracts on the bid and ask side - with a maximum percentage spread as detailed in **Table 1** below Provision of two way quotes for the third contract in the series of each constituent - with a minimum size of 2 contracts on the bid and ask side - 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 50 percent of the quotation period of the trading day, from 08:30 a.m. to 17:30 p.m. (CET), calculated on a monthly average.
Designated Market Maker Fees	Order Book Trades & Block Trades 50 percent fee rebate upon fulfilment of obligations in regards of 40 percent of the constituents (i.e. 20 out of 50 constituents) Order Book Trades & Block Trades 15 percent fee rebate upon fulfilment of obligations in regards of 10 percent constituents of the constituents (i.e. 5 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 permissible for fulfilment of Market-Making:

Single Stock Dividend Futures on the Underlying Share of	Product ID	Bid/Offer Spread (Percentage)		
		1st Expiration	2nd Expiration	3rd Expiration
Air Liquide S.A.	~~A2IR~~ **A3IR**	20%	25%	35%
Allianz SE	A2LV	20%	25%	35%
Anheuser-Bush InBev N.V./S.A.	I2TK	200%	200%	200%
ArcelorMittal S.A.	I2SP	200%	200%	200%
ASML Holding N.V.	**A2SM**	**40%**	**45%**	**55%**
Assicurazioni Generali S.p.A.	A2SG	40%	45%	55%
AXA S.A.	A2XA	60%	65%	75%
Banco Bilbao Vizcaya Argentaria S.A.	B3BV	40%	45%	55%
Banco Santander S.A.	S2SD	40%	45%	55%
BASF AG	B2AS	20%	25%	35%
Bayer AG	B2AY	40%	45%	55%
BMW AG	B2MW	60%	65%	75%
BNP Paribas S.A.	B2NP	60%	65%	75%
Carrefour S.A.	C3AR	40%	45%	55%
Compagnie de Saint-Gobain S.A.	G2OB	40%	45%	55%
CRH PLC	C2RG	200%	200%	200%
DAIMLER AG	D2AI	40%	45%	55%
Danone S.A.	B2SN	40%	45%	55%
Deutsche Bank AG	D2BK	60%	65%	75%
~~**Deutsche Börse AG**~~	~~**D2B1**~~	~~**40%**~~	~~**45%**~~	~~**55%**~~
Deutsche Telekom AG	D2TE	20%	25%	35%
E.ON AG	E2OA	20%	25%	35%
ENEL S.p.A.	E2NL	40%	45%	55%
ENI S.p.A.	E2NT	20%	25%	35%
Essilor International S.A.	**E2SL**	**20%**	**25%**	**35%**
France Télécom	F2TE	20%	25%	35%
GDF SUEZ S.A.	G2ZF	40%	45%	55%
Iberdrola S.A.	I2BE	60%	65%	75%
Inditex	I2XD	20%	25%	35%

Single Stock Dividend Futures on the Underlying Share of	Product ID	Bid/Offer Spread (Percentage)		
		1st Expiration	2nd Expiration	3rd Expiration
ING Groep N.V.	I2NN	200 %	200 %	200 %
Intesa Sanpaolo S.p.A.	I3ES	200 %	200 %	200 %
Koninklijke Philips Electronics N.V.	P2HI	40%	45%	55%
L'Oréal S.A.	L2OR	20%	25%	35%
LVMH Moët Hennessy Louis Vuitton S.A.	M2OH	40%	45%	55%
Münchener Rückversicherungs-Gesellschaft AG	M2UV	20%	25%	35%
Nokia Corp. Ojy	N2OA	40%	45%	55%
Repsol YPF S.A.	R2EP	20%	25%	35%
RWE AG	R2WE	20%	25%	35%
Sanofi-Aventis S.A.	S2NW	20%	25%	35%
SAP AG	~~S2AP~~ **S3AP**	40%	45%	55%
Schneider Electric S.A.	~~S2ND~~ **S3ND**	20%	25%	35%
Siemens AG	S2IE	20%	25%	35%
Société Générale S.A.	S2GE	60%	65%	75%
~~**Telecom Italia S.p.A.**~~	~~**T2QI**~~	~~**200%**~~	~~**200%**~~	~~**200%**~~
Telefónica S.A.	T2NE	20%	25%	35%
TOTAL S.A.	T2OT	20%	25%	35%
Unibail-Rodamco S.A.	U2BL	40%	45%	55%
UniCredit S.p.A.	~~C2RI~~ **C3RI**	200 %	200 %	200 %
Unilever N.V.	U2NI	40%	45%	55%
VINCI S.A.	S2QU	20%	25%	35%
Vivendi S.A.	~~V2VU~~ **V3VU**	20%	25%	35%
Volkswagen Vz.	V2W3	60%	65%	75%

For the avoidance of doubt:

Where the first expiry in the contract series is December 2012 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.

Single Stock Futures: Quotation Requirements for Designated Market-Making in SSFs

1. Designated Market-Making Fees:

Upon fulfillment of quotation requirements on a monthly basis, Eurex Clearing will reimburse part of transaction fees for all trades in SSFs in the respective package concluded by DMMs on the M account. Reimbursement of transaction fees will amount in each case to 80 percent for transactions in the electronic order book and to 50 percent for transactions in OTC Block-Trading.

2. Quotation Requirements:

- Designated Market Makers commit to quote permanently a specified amount of Single Stock Futures in the respective package (no. 2.1). The quotes have to represent a minimum number of contracts (no. 2.3) quoted with a maximum bid-ask spread (no. 2.2).
- The quotation period shall be at least 80 percent of the daily trading hours between 09:00 and 17:30 CET on a monthly average.
- The contract months to be quoted for are in each case the Front Month and the first following quarterly contract month.

2.1 Quotation Packages and Number of Exceptions

Five quotation packages will be offered for Designated Market-Making. Quotation requirements for a package will be considered fulfilled, if quotation requirements were observed for all products contained, whereby a certain number of exceptions per month will be allowed for each package. Eurex reserves the right to reduce the number of exceptions at a later point in time.

Package	Package ID	Eurex Products contained	Number of Package Components	Amount of Monthly Exceptions
EURO STOXX 50®	**ESX50**	All SSFs on components of EURO STOXX 50®	50	14
German	**DE**	All SSFs on components of DAX® 30	30	8
French	**FR**	All SSFs on components of CAC 40	40	15
Swiss	**CH**	All SSFs on components of SMI® Index	20	4
EURO STOXX 50®/ German/French	**ESX50/DE/FR**	All SSFs on components of EURO STOXX 50®, DAX® 30 and CAC 40	~~88~~90	40

2.2 Spread Classes

Spread Class	Bid prices up to (EUR/CHF)	Maximum Spreads (EUR/CHF)	
		Front Month	First Quarter Contract Month
1	≤ 40.00	0.08	0.12
	> 40.00	0.2%	0.3%
2	≤ 40.00	0.12	0.16
	> 40.00	0.3%	0.4%

2.3 List of Minimum Quote Size and Spread Class Assignment

If due to a corporate action in one of the underlying instruments a successor product is admitted to trading with standard contract size, 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.

No.	SSFs on	Product ID	Minimum Quote Size in Contracts	Spread Class	Package ID
SSFs in EUR					
1	ACCOR	ACRI	5	2	FR; ESX50/DE/FR
2	ADIDAS AG NA O.N.	ADSG	5	2	DE; ESX50/DR/FR
3	AIR LIQUIDE	AIRJ	10	2	FR; ESX50; ESX50/DE/FR
4	ALCATEL-LUCENT	CGEF	50	2	FR; ESX50/DE/FR
5	ALLIANZ	ALVG	10	1	DE; ESX50; ESX50/DR/FR
6	ALSTOM	AOMG	5	2	FR; ESX50/DE/FR
7	ANHEUSER-BUSCH INBEV	ITKG	5	1	ESX50; ESX50/DE/FR
8	ARCELORMITTAL	ISPG	15	1	FR; ESX50; ESX50/DE/FR
9	ASSICURAZIONI GENERALI	ASGG	2	2	ESX50; ESX50/DE/FR
10	AXA	AXAG	25	1	FR; ESX50; ESX50/DE/FR
11	BASF	BASG	25	1	DE; ESX50; ESX50/DR/FR
12	BAYER	BAYF	25	1	DE; ESX50; ESX50/DR/FR
13	BCO BILBAO VIZCAYA ARGENTARIA	BBVG	25	1	ESX50; ESX50/DE/FR
14	BCO SANTANDER	SANG	25	1	ESX50; ESX50/DE/FR
15	BEIERSDORF AG O.N.	BEIG	10	2	DE; ESX50/DR/FR
16	BMW	BMWF	10	1	DE; ESX50; ESX50/DR/FR
17	BNP PARIBAS	BNPH	10	1	FR; ESX50; ESX50/DE/FR
18	BOUYGUES	BYGG	5	2	FR; ESX50/DE/FR
19	CAP GEMINI	CGMF	5	2	FR; ESX50/DE/FR
20	CARREFOUR	CARG	15	1	FR; ESX50; ESX50/DE/FR

No.	SSFs on	Product ID	Minimum Quote Size in Contracts	Spread Class	Package ID
SSFs in EUR					
21	COMMERZBANK AG O.N.	CBKG	50	2	DE; ESX50/DR/FR
22	CREDIT AGRICOLE	XCAH	25	1	FR; ESX50/DE/FR
23	CRH	CRGG	10	2	ESX50; ESX50/DE/FR
24	DAIMLER	DAIF	25	1	DE; ESX50; ESX50/DR/FR
25	DANONE	BSNH	10	1	FR; ESX50; ESX50/DE/FR
26	DEUTSCHE BANK	DBKG	25	1	DE; ESX50; ESX50/DR/FR
27	DEUTSCHE BOERSE ~~TENDERED~~	DB1H	10	2	DE; ~~ESX50~~; ESX50/DR/FR
28	DEUTSCHE POST AG NA O.N.	DPWF	25	1	DE; ESX50/DR/FR
29	DEUTSCHE TELEKOM	DTEF	50	1	DE; ESX50; ESX50/DR/FR
30	E.ON	EOAH	25	1	DE; ESX50; ESX50/DR/FR
31	EADS	EADF	10	2	FR; ESX50/DE/FR
32	EDF	E2FF	5	2	FR; ESX50/DE/FR
33	ENEL	ENLG	5	1	ESX50; ESX50/DE/FR
34	ENI	ENTG	5	1	ESX50; ESX50/DE/FR
35	ESSILORINTL	EFXF	5	2	FR; ESX50/DE/FR
36	FRANCE TELECOM	FTEF	50	1	FR; ESX50; ESX50/DE/FR
37	FRESEN.MED.CARE KGAA ST	FMEH	5	2	DE; ESX50/DR/FR
38	FRESENIUS SE+CO.KGAA O.N.	FREG	5	2	DE; ESX50/DR/FR
39	GDF SUEZ	GZFG	10	1	FR; ESX50; ESX50/DE/FR
40	GRP SOCIETE GENERALE	SGEI	10	1	FR; ESX50; ESX50/DE/FR
41	HEIDELBERGCEMENT AG O.N.	HEFG	5	2	DE; ESX50/DR/FR
42	HENKEL AG+CO.KGAA VZO	HENG	5	2	DE; ESX50/DR/FR
43	IBERDROLA	IBEG	25	1	ESX50; ESX50/DE/FR
44	INDITEX	IXDI	10	2	ESX50; ESX50/DE/FR
45	INFINEON TECH.AG NA O.N.	IFXG	50	2	DE; ESX50/DR/FR
46	ING GRP	INNG	50	1	ESX50; ESX50/DE/FR
47	INTESA SANPAOLO	IESI	10	1	ESX50; ESX50/DE/FR
48	K+S AG NA O.N.	SDXH	5	2	DE; ESX50/DR/FR
49	LAFARGE	CILF	5	2	FR; ESX50/DE/FR
50	LINDE AG O.N.	LING	5	1	DE; ESX50/DR/FR
51	L'OREAL	LORF	10	2	FR; ESX50; ESX50/DE/FR
52	LUFTHANSA AG VNA O.N.	LHAF	25	2	DE; ESX50/DR/FR
53	LVMH MOET HENNESSY	MOHF	10	2	FR; ESX50; ESX50/DE/FR

No.	SSFs on	Product ID	Minimum Quote Size in Contracts	Spread Class	Package ID
SSFs in EUR					
54	MAN SE ST O.N.	MANG	5	2	DE; ESX50/DR/FR
55	MERCK KGAA O.N.	MRKG	5	2	DE; ESX50/DR/FR
56	METRO AG ST O.N.	MEOF	5	1	DE; ESX50/DR/FR
57	MICHELIN	MLXF	5	2	FR; ESX50/DE/FR
58	MUENCHENER RUECK	MU2G	10	1	DE; ESX50; ESX50/DR/FR
59	NOKIA	NO3F	100	1	ESX50; ESX50/DE/FR
60	PERNOD RICARD	PERH	5	2	FR; ESX50/DE/FR
61	PEUGEOT	PEUG	10	2	FR; ESX50/DE/FR
62	PHILIPS ELECTRONICS	PH1F	25	1	ESX50; ESX50/DE/FR
63	PPR	PPXF	5	2	FR; ESX50/DE/FR
64	PUBLICIS GROUPE	PU4F	5	2	FR; ESX50/DE/FR
65	RENAULT	RNLF	5	2	FR; ESX50/DE/FR
66	REPSOL YPF	REPF	10	1	ESX50; ESX50/DE/FR
67	RWE	RWEG	25	1	DE; ESX50; ESX50/DR/FR
68	SAFRAN	SEJF	10	2	FR; ESX50/DE/FR
69	SAINT GOBAIN	GOBG	15	2	FR; ESX50; ESX50/DE/FR
70	SANOFI	SNWF	10	1	FR; ESX50; ESX50/DE/FR
71	SAP	SAPI	25	1	DE; ESX50; ESX50/DR/FR
72	SCHNEIDER ELECTRIC	SNDH	10	2	FR; ESX50; ESX50/DE/FR
73	SIEMENS	SIEF	25	1	DE; ESX50; ESX50/DR/FR
74	STMICROELECTRONICS	SGMF	10	2	FR; ESX50/DE/FR
75	SUEZ ENVIRONMENT	SEVF	5	2	FR; ESX50/DE/FR
76	TECHNIP	THPG	2	2	FR; ESX50/DE/FR
77	TELECOM ITALIA	TQIF	25	2	~~ESX50~~; ESX50/DE/FR
78	TELEFONICA	TEFF	25	1	ESX50; ESX50/DE/FR
79	THYSSENKRUPP AG O.N.	TKAG	10	1	DE; ESX50/DR/FR
80	TOTAL	TOTG	15	1	FR; ESX50; ESX50/DE/FR
81	UNIBAIL-RODAMCO	UBLG	5	2	FR; ESX50; ESX50/DE/FR
82	UNICREDIT	CR5I	10	1	ESX50; ESX50/DE/FR
83	UNILEVER NV	UNIH	25	1	ESX50; ESX50/DE/FR
84	VALLOUREC	VACH	5	2	FR; ESX50/DE/FR
85	VEOLIA ENVIRON	VVDG	5	2	FR; ESX50/DE/FR
86	VINCI	SQUG	10	2	FR; ESX50; ESX50/DE/FR
87	VIVENDI	VVUG	25	1	FR; ESX50;

No.	SSFs on	Product ID	Minimum Quote Size in Contracts	Spread Class	Package ID
SSFs in EUR					
					ESX50/DE/FR
88	VOLKSWAGEN PREF	VO3G	10	2	DE; ESX50; ESX50/DR/FR
89	ASML Holding	ASMG	10	2	ESX50; ESX50/DE/FR
90	Essilor International	EFXF	5	2	ESX50; ESX50/DE/FR; FR
SSFs in CHF					
1	ABB	ABBF	25	1	CH
2	Actelion	ATLH	5	2	CH
3	Adecco	ADEF	5	2	CH
4	Cie Financière Richemont	CFRI	25	2	CH
5	Credit Suisse Group	CSGG	25	1	CH
6	Givaudan	GIVG	5	2	CH
7	Holcim	HOLH	5	2	CH
8	Julius Bär Gruppe	BAEI	50	2	CH
9	Nestlé	NESG	25	1	CH
10	Novartis	NOVF	10	1	CH
11	Roche Holding	ROGF	5	1	CH
12	SGS	SGSJ	5	2	CH
13	Swatch Group (bearer shares)	UHFF	10	2	CH
14	Swiss Re	SREG	10	1	CH
15	Swisscom	SCMH	10	2	CH
16	Syngenta	SYNG	10	2	CH
17	Synthes	SYSG	2	2	CH
18	Transocean	RIGF	5	2	CH
19	UBS	UBSH	50	1	CH
20	Zurich Financial Services	ZURF	50	1	CH