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N° 24 / August 2000 Zurich – Frankfurt/Main
eurex

Eurex Takes the Lead in Nokia Derivatives Trading / Other Nordic Products also Gaining Momentum

Over the last few weeks, Eurex has seen a dramatic increase in trading activity on options on Nokia shares. Trading volumes have surged to new heights reaching a record daily volume on July 28 with 61,226 contracts traded and a weekly record level in the last week of July with 130,497 contracts traded.

Since April, volumes have been rising by almost 40 % per month. In April the daily trading volume averaged 5,126 contracts, in May it reached an average of 6,974 and in June of 9,465 contracts per day. In July it surged to an average daily trading volume of 14,385 contracts. As a result, Eurex has become the worldwide leading exchange for Nokia derivatives. As can be seen in Figure 1, the Eurex Nokia trading volumes have now surpassed those of the other exchanges. Increasing open interest shows the gains in market share even more clearly than trading volumes. Indeed, Figure 2 compares open interest where Eurex again is now the leading single Nokia options market.

After the split of the Nokia stock (1:4, effective as of April 10), the activity in Nokia derivatives has risen more then the split factor would suggest. Even if all exchanges should in theory have been able to gain trading volume because of the stock split, Eurex was able to increase its market share over proportion even after the split effect.

The trading volume of the Nokia stock on Xetra has seen a similar development since the introduction of the option on Eurex. Indeed, volume has increased by a factor 8 over the last 9 months period.

Trading in Nordic products – i.e. derivatives with Finnish underlyings – started on Eurex on September 27, 1999. The most actively traded products can be divided into three groups:

- Technology companies: Nokia (Eurex Symbol: NOA3), Sonera (SOY), TietoEnator (TTEB) and Elisa Communications (EIA, formerly Helsinki Telephone Corp, HEPE)
- Paper companies: UPM-Kymmene (RPL), StoraEnso R (ENUR) and Metsa-Serla B (MSRB)
- Index products: options and futures on the Finnish Traded Stocks Index FOX (FFOX and OFOX).

continued page 2

Content

1
Eurex Takes the Lead in Nokia Derivatives Trading
3
Introduction of an OTC Block Trade Facility for Dow Jones Euro STOXX 50℠ Options
4
Functional Simulation of the CBoT/Eurex Alliance Successfully Started
5
News + Dates
Training & Education August and September 2000
6
CBoT and Eurex Announce Alliance Launch Date
London Trader Party

continued

Of all above products, other than Nokia, especially the options volume on Sonera and UPM-Kymmene has been rising during the first half of the year 2000. The average daily volume of the UPM-Kymmene option was 699 contracts or +28 % compared with trading volumes at HEX over the same period last year.

For any further questions, please contact Christian Klapproth, T +49 (0)69-21 01-59 33, e-mail: Christian_Klapproth@exchange.de .

Figure 1: Nokia Derivatives' Trading Volume, last 10 weeks

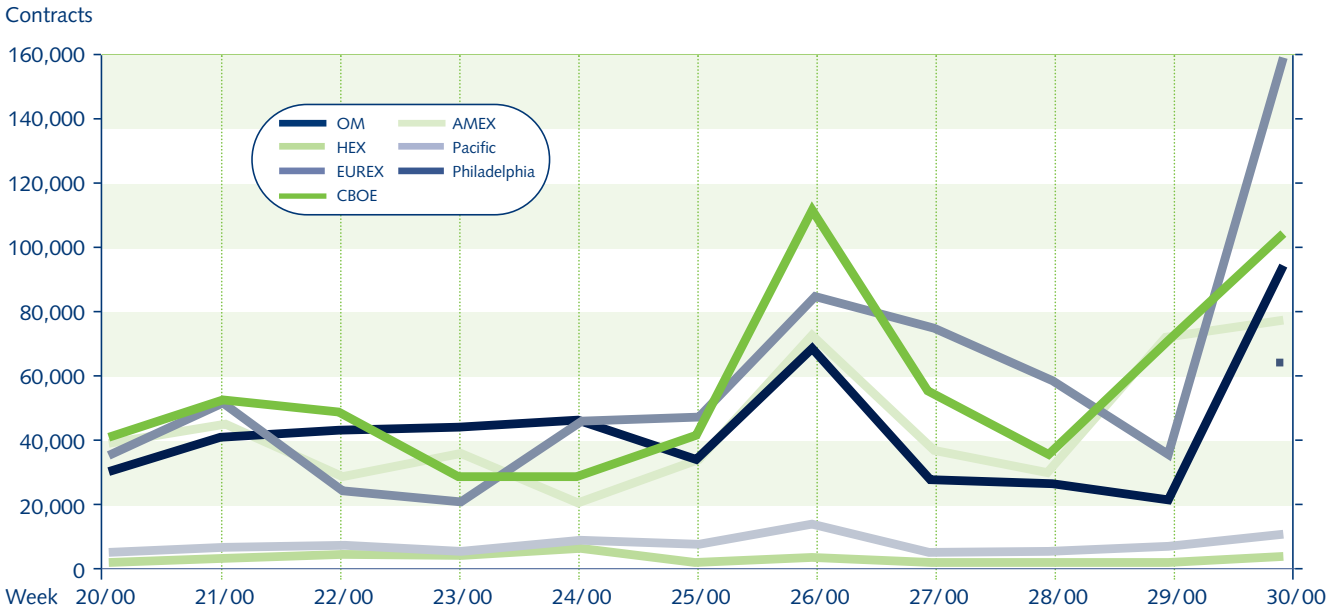
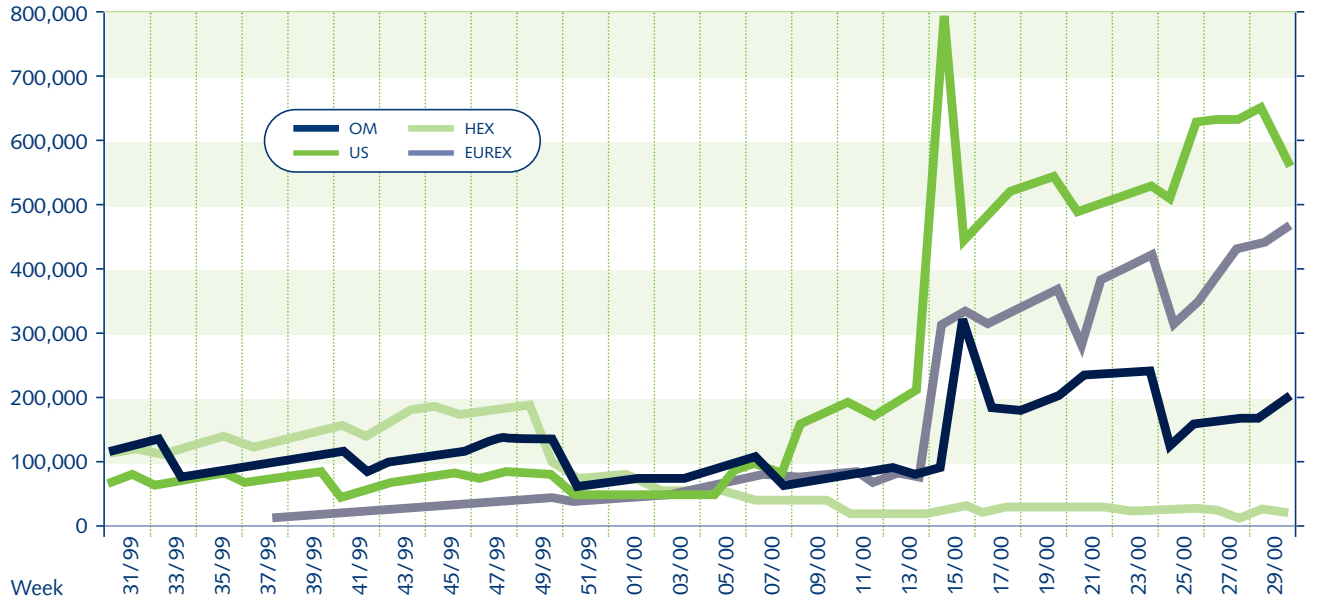


Figure 2: Open Interest, last 52 weeks



Introduction of an OTC Block Trade Facility for Dow Jones Euro STOXX 50℠ Options

In its meeting of July 5, 2000, the Management Board of Eurex Clearing AG made the decision to admit options on the Dow Jones Euro STOXX 50℠ Index to the OTC Block Trade Facility, with effect from July 24, 2000. The minimum number of contracts (minimum block trade size) for which the Block Trade Facility may be used for options on the Dow Jones Euro STOXX 50℠ has been set at 2,000 contracts.

Accordingly, the following Eurex products are presently admitted to block trading:

Product	Minimum Number of Contracts to Trade
Option on the Dow Jones Euro STOXX 50℠	2.000
Option on the DAX (ODAX)	500
Option on the SMI (OSMI)	500
Option on the FOX (OFOX)	250
Option on the Euro Bund Future (OGBL)	250
Option on the Euro Bobl Future (OGBM)	250
Option on the Euro Schatz Future (OGBS)	250
Options on German stocks (OSTK)*	250
* Exceptions: ALV, MUV2, SAP3	50
Option on Swiss stocks (OSTK)	250
Option on Finnish stocks (OSTK)	250
Option on Dutch stocks (OSTK)	250
Option on Italian stocks (OSTK)	250

Eurex Clearing AG may include additional contracts into the Block Trade Facility or exclude any contracts previously included at any time in the future.

The Block Trade Facility provides Eurex participants with the possibility to enter off-exchange transactions in above option contracts into the clearing system of Eurex Clearing AG for clearing. To execute a Block Trade, the buyer enters the Block Trade into the designated Eurex screen. The seller must then confirm all entries. Hereby, the number of traded contracts must never fall below the set minimum number. In addition, the contract price must be within an interval determined by Eurex Clearing AG.

Entries are possible during all trading hours applicable to option contracts at Eurex. Block Trades can be entered onto the proprietary ("P"), customer ("A") and market-maker ("M") position accounts.

To be able to use the OTC Block Trade Facility, Eurex participants are required to confirm in writing their compliance with both the Conditions for Participation and the Implementation Regulations for the use of this functionality. Eurex members who are non-clearing members are also required to provide the written consent of their clearers (GCM or DCM).

For further questions on the OTC Block Trade Facility, please contact the following Eurex Help Desks:
Technical Help-Desk:
T +49 (0)69-21 01-12 00,
Functional Help-Desk
Index Products:
T +49 (0)69-21 01-12 20,
Functional Help-Desk Clearing:
T +49 (0)69-21 01-12 50.

Functional Simulation of the CBoT/Eurex Alliance Trading Platform Successfully Started / Second Member Connection Wave Planned for Last Quarter 2000

Beginning in July the CBoT/ Eurex Alliance started with the connection tests of the CBoT members belonging to the first batch of members participating in the initial launch of the joint trading platform. Functional simulation itself started on July 17 and is the last step before the launch of the CBoT/Eurex platform, scheduled for August 27, 2000. Functional simulation provides participating firms and traders with the opportunity to test new installations and familiarize themselves with the platform's trading functionality.

Eighty-four of the world's leading financial firms represent the launch wave of CBoT members trading CBoT products via the Alliance network. During simulation these 84 firms will test 107 different network connections around the world. Approximately 750 traders will be using 45 products from launch date.

Trading hours are scheduled between 10.00 p.m. and 4.00 p.m. Chicago Time (or 5.00 a.m. and 11.00 p.m. Frankfurt Time) or 18 hours a day, five days a week. As a result, trading availability in Chicago covers European trading hours as well as most of the Asian trading hours (12.00 a.m. to 6.00 a.m. Hong Kong Time). The schedule below shows how trading hours in Frankfurt and Chicago overlap between 1.00 a.m. and 1.00 p.m. Chicago Time (8.00 a.m. and 8.00 p.m. Frankfurt Time).

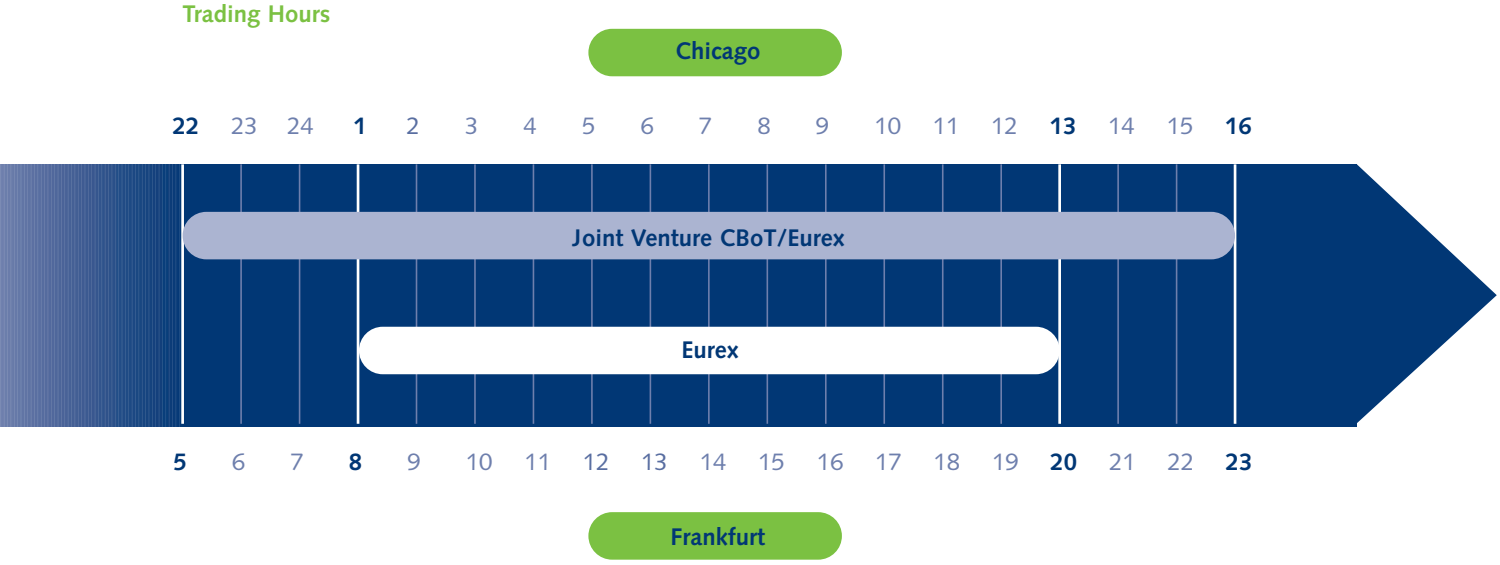
The Alliance is now preparing the second connection wave for the last quarter 2000. Next to further CBoT members, who did not participate from launch, Eurex members are expected to connect as well. To promote the Alliance, Eurex and the CBoT will conduct a series of Roadshows in 15 cities worldwide to inform members of the financial community about the CBoT/ Eurex Alliance. Alliance marketing and sales representatives will provide an overview of the alliance framework, demonstrate the actual system to attendees and disseminate connection information to interested parties.

For more information, please contact Heike Eckert,
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e-mail: Heike_Eckert@exchange.de
or Jim Chrystal, T +1-312-347-52 24,
e-mail: JCHR50@cbot.com

Scheduled Roadshows

12.09.	Frankfurt	**12.10.**	San Francisco
13.09.	Tokyo	**23.10.**	Zurich
14.09.	London	**26.10.**	Paris
19.09.	Dublin	**31.10.**	Milan
21.09.	Singapore	**02.11.**	Madrid
21.09.	Amsterdam	**28.11.**	Sydney
03.10.	Chicago	**06.12.**	Hong Kong
05.10.	New York		

Trading Hours



Eurex Launches Delayed Options Prices on Internet **CBoT/Eurex Alliance to Provide Trading Platform for Planned Turkish Exchange** Dates in September **Eurex Clearing – Quick Reference Guide**

Eurex Launches Delayed Options Prices on Internet

On July 12, Eurex together with the Information Products Division of Deutsche Börse AG launched 15-minute delayed options prices on its Internet site **www.eurexchange.com**. Investors can now see traded contract volume, put-call ratio and open interest on all four Eurex product segments.

On April 20, 2000, Eurex made available the same service for its future contracts. This further expansion of price information targets private investors and offers additional information on the derivatives markets.

For more information on delayed prices please contact the Information Products Customer Hotline: T+ 49 (0)69-21 01-18 00, e-mail: ip_hotline@exchange.de

CBoT/Eurex Alliance to Provide Trading Platform for Planned Turkish Exchange

The CBoT/Eurex Alliance LLC, the joint venture between CBoT and Eurex, and the prospective Turkish Exchange announced plans to cooperate in setting up a derivatives market in Turkey.

Under the terms of a memorandum of understanding signed in Istanbul on July 13, 2000, Vadeli Islemler Egitim Danismanlik A.S., the company responsible for setting up the Turkish exchange, would make use of the Eurex trading platform to enhance the distribution of its planned product offerings. Products of the Turkish Exchange would be listed and matched on host computers operated by the CBoT/Eurex Alliance partners.

The partners also foresee harmonization of exchange operations, readiness procedures and technical customer support as well as to cooperate in the areas of rules and regulations, product design, market supervision and market surveillance.

For more information, please contact Lothar Kloster, T+ 49 (0)69-21 01-72 89, e-mail: Lothar_Kloster@exchange.de

Dates in September

September 19–20, 2000
FOW's 7th Asia-Pacific Derivatives Exhibition, Raffles City Convention Centre, Singapore

September 21–23, 2000
IAM Internationale Anleger Messe, Messehallen, Düsseldorf

The new "Eurex Clearing – Quick Reference Guide" can now be ordered under the reference number E2E-008-0800 with the Publications Hotline: T + 49 (0)69-21 01-15 10.

Member Training **Training & Education** Derivatives Market

	Course	August	September
Traders Examination	Colloquium for Eurex Traders Examination	28.08.2000 **C** 29.08.2000 **C**	04.09.2000 **L** 06.09.2000 **P**
	Eurex Traders Examination	15.08.2000 **L** 16.08.2000 **L** 21.08.2000 **P**	Wk. of Sep. 11 **C**
System Training	Eurex Functional Member Training	16.08.2000 **P** 31.08.2000 **C**	12.09.2000 **P/L**
	System Training for Eurex Clearing		01.09.2000 **C** 13.09.2000 **L/P** 14.09.2000 **L**
	Clearer Test Evidence of Vocational Aptitude for Backoffice Staff	22.08.2000 **P** 28.08.2000 **C**	11.09.2000 **C**

C Chicago **L** London **P** Paris

CBoT and Eurex Announce Alliance Launch Date and Name of New Joint Venture

The Chicago Board of Trade and Eurex announced on July 24 that their joint electronic trading company will launch its new trading platform on Sunday, August 27, 2000, 10.00 p.m. Chicago Time (5.00 a.m. Frankfurt Time on Monday, August 28, 2000). The partners also announced the joint venture company will be called:

a/c/e

alliance/cbot/eurex

London Trader Party Draws Crowd

Eurex held its annual trader party entitled "The Sky's the Limit" in the Orbit House on July 11 in London. The annual event allows Eurex to thank its members and traders for their continued support. The party was a resounding success. Approximately 600 guests – Eurex members, vendors, publishers and journalists – were in attendance, reaffirming Eurex reputation as the excellent host in town!



Attendees enjoyed a unique treat – already the trademark of Eurex' events in London – with interactive entertainment, fantastic food and magnificent views of London from the roof top terrace in a unique venue.

The highlight of the evening was the private viewing of "The Ring", an exceptional and only one of its kind floor carving installation by renowned artist Thomas Kippler in its original setting, the 10th floor of the soon to disappear Orbit House.

Guests enjoyed a personal guided tour by the artist. Part of Kippler's installation was commissioned by the Tate Modern and was relocated immediately after the Eurex party.

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www.eurexchange.com

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