X-pand into the Future

eurex circular 112/07

Date: Frankfurt, June 5, 2007

Recipients: All Trading Members of Eurex Deutschland and Eurex Zürich, All Clearing Members of Eurex Clearing AG and Vendors

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⚠ **High priority**

Holiday Processing at Eurex: New Regulation

Related Eurex Circulars: 237/06, 084/07

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Content may be most important for:

➲ All departments

Attachment:

Holiday Schedule 2007

Summary:

As already announced, there will be a new general way of holiday processing at Eurex. The new method will consider the specific requirements with regard to national and EU public holiday regulations.

In the course of a year, a number of public holidays affects the Eurex® system and influences the operational business. Altogether four types of holidays can be differentiated:

Type	Affected by
Eurex Holiday	Target2 holidays
Trading Holiday	holidays as defined by Eurex trading calendar per product
Settlement Holiday	holidays of the relevant product settlement-CSD
Cash Holiday	holidays of the payment system for the relevant currency

This circular provides an overview about specific features associated with the upcoming holidays.

Holiday Processing at Eurex: New Regulations

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In the following, please find an overview of specific features associated with the upcoming holidays.

Eurex Holiday:

As a general rule, the complete system is closed on Eurex holidays. On these days, no settlement (cash or physical) takes place in relation to Eurex activities.

Trading Holiday:

Trading holidays lead to a product status “HOLID”. During the HOLID-status of the product no trading or order management activities are allowed. Good-Till-Date (GTD)-orders are cancelled during the EOD-batch run, if they have been assigned beforehand with the date of the holiday.

Settlement prices for the products are identical with the values from the day before.

Clearing activities on Trading Holidays are as follows:

- Post Trade Activities (for previous day transactions) are possible
- Exercises are not allowed
- For all products/product groups “End-Of-Assignment” messages are distributed
- Historical Trade Adjustments are allowed
- Historical Give-ups/Take-ups are allowed
- Position Adjustments are allowed

Settlement Holiday:

Settlement holidays have three different implications on processing.

1) For all due deliveries (exercises/assignments up to x days before a holiday), the value date will be extended by the system by x days.

		Day before a holiday	**Holiday**	**Day after a holiday**			
Exercise/ Assignment Day T	Day T + 1	Day T + 2	(plus 1 Day)	Delivery at SIS Day T + 4			
	Exercise/ Assignment Day T	Day T + 1	(plus 1 Day)	Day T + 3	Delivery at SIS Day T + 4		
		Exercise/ Assignment Day T	(plus 1 Day)	Day T + 2	Day T + 3	Delivery at SIS Day T + 4	
			Exercise/ Assignment Day T	Day T + 1	Day T + 2	Delivery at SIS Day T + 3	
				Exercise/ Assignment Day T	Day T + 1	Day T + 2	Delivery at SIS Day T + 3

Value dates shown on Eurex reports (e.g. RPTCE070) will be automatically adjusted. Currently only Swiss underlying values are affected.

2) As a result of the suspension of operations by SIS on a holiday, delivery instructions for Swiss products cannot be carried out on such days. Corresponding deliveries will be made one day later (plus one business day).

3) As a result of the suspension of operations by SIS on a holiday, no collateral management transactions involving Swiss products can be carried out on a holiday.

Cash Holiday:

Depending on holiday processing of the involved payment systems (i.e., euro = Bundesbank, Swiss francs = Swiss National Bank, U.S. dollar = payment banks, British pound = payment banks), processing of cash obligations from the previous business days will be postponed to the next day. This fact will possibly lead to processing of two cash transactions per Clearing Member for the following day. The correct value dates for the payments can be found in report RPTCD010. There will be no netting between upcoming debit and credit instructions.

As opposed to the described procedure above, margin calls from batch processing of the previous day, fall due on a holiday. The equivalent amount of these margin calls must be deposited in the alternative clearing currency (e.g. in case of a Swiss franc holiday at the German Central Bank in euro). Non-compliance will result in the application of the Eurex default procedure pursuant to section 7.1 of the Clearing Conditions for Eurex Clearing AG. The amounts deposited in the intermediate currency will be repaid on the following day, after completion of the settlement in the original clearing currency of the Clearing Member.

For any further questions you may have or information you may need, please contact Peter Sack under tel. +49-69-211-1 53 16 or e-mail: peter.sack@eurexchange.com.

Frankfurt, June 5, 2007

Holiday Schedule 2007

Day	Holiday	Product Group	Clearing	Trading + Exercise	Settlement					Cash			
					Non Value Date (1)	Deliveries (2)		Collaterals (3)		Clearing Currency			
						CBF	SIS	CBF	SIS	CHF	EUR	GBP	USD
Jan. 1	New Years Day	All	X	X	X	X	X	X	X	X	X	X	X
Jan. 2	Berchtoldstag	CH		X	For CH		For CH		For CH	X			
Jan. 15	Dr. Martin Luther King Jr. Day	US											X
Feb. 19	Presidents' Day	US											X
Apr. 6	Good Friday	All	X	X	X	X	X	X	X	X	X	X	X
Apr 9	Easter Monday	All	X	X	X	X	X	X	X	X	X	X	X
May 1	May Day	All	X	X	X	X	X	X	X	X	X	X	X
May 7	May Bank Holiday	GB/RUS		X								X	
May 17	Ascension Day	CH		X	X		X		X	X			
May 28	Whit Monday Memorial Day Spring Bank	All		X	For CH		For CH		For CH	X		X	X
June 6	Swedish National Day	SE		X									
June 22	Midsummer´s Eve	SE/FI		X									
Jul. 4	Independence Day												X
Aug. 1	Swiss National Day	CH		X	X		X		X	X			
Aug. 15	Ascension of Mary	IT		X									
Aug. 27	Summer Bank Holiday	GB/RUS		X								X	
Sep. 3	Labor Day												X
Nov. 22	Thanksgiving Day												X
Dec. 6	Finnish Independence Day	FI		X									
Dec. 24	Christmas Eve	All		X									
Dec. 25	Christmas Day	All	X	X	X	X	X	X	X	X	X	X	X
Dec. 26	St. Stephen's Day/ Boxing Day	All	X	X	X	X	X	X	X	X	X	X	X
Dec 31	New Years Eve	All		X									