# **e u r e x** *c i r c u l a r 8 7 / 9 8*

To: All Eurex members and vendors

Date: Frankfurt, 21st December 1998

**Year-end and Euro Conversion Processing**

Dear Sir or Madam,

In addition to Eurex Circular 76/98, this circular provides an overview of year-end and conversion processing at Eurex. It also contains updated information on the issues described in Chapter 2.9 of the Euro Guide (Procedures for converting Eurex products to euro – Technical Procedures, pages 21-26).

All times mentioned below are Central European Time.

- The year-end batch will start on 30th December 1998 at 20.00h. Members will receive the year-end reports in product currency (not converted) after the batch, i.e. from 23.00h approximately.

- Orders in converted products will be deleted during the year-end batch. After the year-end batch, the Tables file will not be sent to Members.

- After the conversion process, members will receive the EUR reports listed below which will be derived from the year-end reports by applying the conversion factor. These reports will be transmitted on 31st December 1998 from 19.00h. They will have a report date of 2nd January 1999.

| **Report** | **Description** |
|---|---|
| CB010 + raw data | Position Detail |
| CB020 | Position Summary |
| CD010 | Daily Cash Account Statement |
| CD042 | Daily Settlement Statement |
| CE080 | Pending Delivery |
| CE090 | Late Delivery |
| CE110 | Eurex-DBC Delivery List – Sell |
| CE111 | Eurex-DBC Delivery List – Buy |

- Members will receive two additional conversion related files after the conversion batch is completed. The Series Change File (EURSERCHG) provides series information, and contains the old series for identification, the conversion factor, and the new series information. The Product Change File (EURPRDCHG) provides information about the product conversion, and contains the old product parameters, the conversion factor, and the new product parameters.

- Theoretical prices will not be included in the conversion process. The Theoretical Price File will be dispatched on 30th December 1998 in DEM, and again after the first day of trading in EUR on 4th January 1999.

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- The BOF product add messages will be provided at the time of set-up of the odd lot contracts. For odd lot series, they will be included in the year-end batch of 30th December 1998. For the new EUR stock option series, they will be included in the conversion batch of 31st December 1998.

- As described in the Euro Guide, members must delete the following files from their User Devices by 18.00h on 31st December 1998 at the latest:

  USER_FPPMIINT_FILE
  USER_FTPMIBCK_FILE
  USER_FPBOFINT_FILE
  USER_FPOPMOUT_FILE

  Those members who use a VMS based system have to re-create the FPOPMOUT file.

- After the conversion on 31st December 1998, the Tables file with converted data will be transmitted. It will be necessary to restart the User Device after the receipt of the Tables file.

- The transmission of back-office messages which are created during the conversion process, is performed between 31st December 1998, 19.00h and 1st January 1999, 10.00h. Therefore the Eurex members' systems have to be available on 31st December 1998 from 19.00h onwards.

- The Eurex System is available for online enquiries, i.e. position checks, after the conversion process is concluded.

- Eurex will offer hotline support to members during the conversion weekend.
  Please contact the following helpdesks with any questions you may have on the conversion results:

  | | |
  |---|---|
  | +49 (0) 69-2101-1210 | Eurex Functional Helpdesk (Stock Products) |
  | +49 (0) 69-2101-1220 | Eurex Functional Helpdesk (Index Products) |
  | +49 (0) 69-2101-1240 | Eurex Functional Helpdesk (Interest Rate Products) |
  | +49 (0) 69-2101-1250 | Eurex Functional Helpdesk (Clearing) |
  | +49 (0) 69-2101-1200 | Eurex Technical Helpdesk |
  | +49 (0) 69-2101-1999 | Euro Hotline Deutsche Börse Group |

  In addition to the normal business day hotline schedule, these hotlines are open at the following times:

  | | |
  |---|---|
  | 31.12.98 | 16.00h to 20.00h |
  | 01.01.99 | 09.00h to 17.00h |
  | 02.01.99 | 10.00h to 18.00h |
  | 03.01.99 | 10.00h to 18.00h. |

- On 4th January 1999, the first business day, trading will start as on any business day. Margin and fees amounts are displayed converted from EMU currencies to EUR. In the batch after 4th January 1999, fees and margins are accumulated in the new product currency only.

- After conversion, historical reports are available in the unconverted form (DEM).

- After conversion, the positions of the last four days cannot be displayed. Therefore historical give-ups and historical trade transfers will not be possible on the first business day in 1999.

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- Due to the different settlement periods for ECU products and EUR products the following situation will occur as a consequence of the conversion. ECU products traded on business day 29th December 1998 will be settled as normal at T+2 (4th January 1999). ECU products traded on business day 30th December 1998 will be settled at T+1 (also 4th January 1999).

- From 4th January 1999, Eurex will switch the exchange rate display to "quantity basis" in WSS and to the "actual/actual" interest rate calculation method.

- During the conversion weekend, Eurex will offer three communication channels to provide news of common interest to members and other parties:

    1. The Reuters Pages <Eurex01>, <Eurex02>, will be used to keep members informed of any further details relating to the timing of the transmission of files or other member-related information during the conversion.

    2. If any delay in progress with the conversion timetable should occur on the side of Eurex, members and vendors will also be informed by fax. Eurex will use the fax numbers indicated by members' Eurex Central Co-ordinators.

    3. Information on the progress of the euro conversion will be published on the Internet website of Eurex (http://www.eurexchange.com).
    There, members will also find information on the converted products, e.g. old and new series/strike prices

       For information on the conversion progress of related systems of Deutsche Börse Group, please read the relevant pages on the website 'http://www.exchange.de/euroguide/index_d.html'.

If you have any further questions concerning the conversion schedule, please do not hesitate to contact the Member Readiness Team at the number below:

Frankfurt +49 (0)69-2101-1700

Yours sincerely,



Otto E. Nägeli



Hartmut Klein

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