

Single Stock Dividend Futures

Dividends are a key component for equity and equity derivatives holders. Given their significant impact on the value of an instrument there is considerable demand for tools to manage and hedge dividend exposure. Our Single Stock Dividend Futures are designed to separate the dividend stream and enable trading and hedging on a standalone basis.

Back in 2010, we were the first exchange to introduce listed Single Stock Dividend Futures (SSDFs). Today our portfolio covers:

- Around 150 of the largest eurozone and pan-European dividends including Swiss, U.K. and U.S. shares

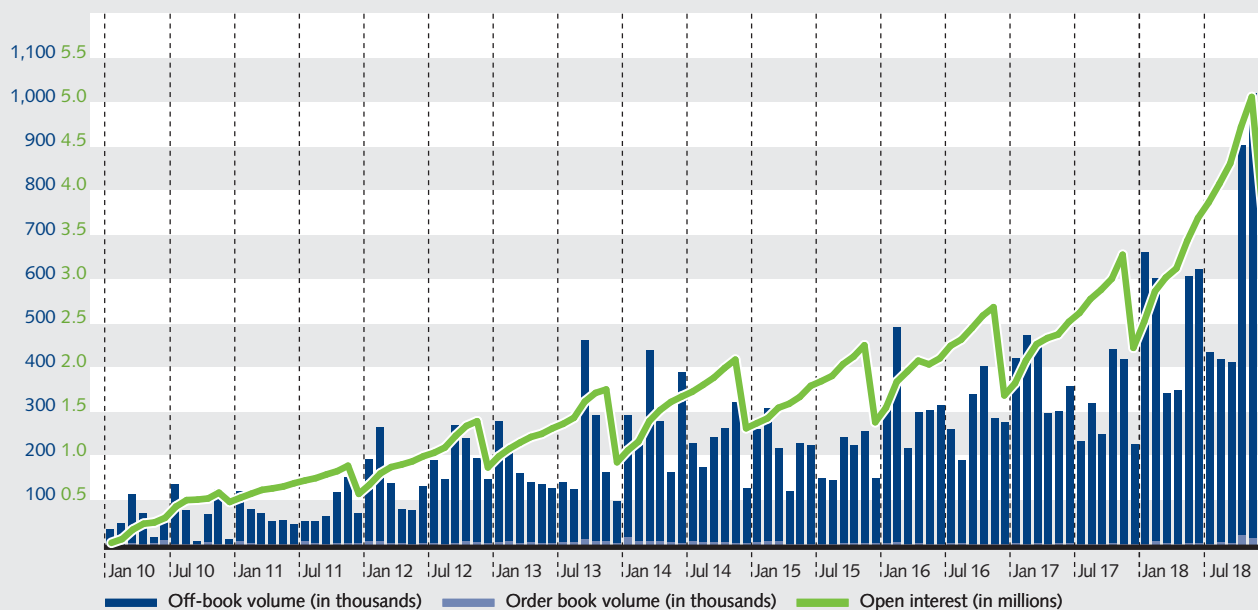
Key benefits

- Taking pure dividend exposure by avoiding the underlying risk
- Precise hedging of dividend exposure down to a corporate level
- More diversification opportunities
- New ways to hedge dividend exposure from structured products and derivatives
- Fundamental and technical trades between single stock dividends and the index equivalent

Product features

- Denominated in euro, Swiss franc, pence sterling or U.S. dollar depending on the dividend currency
- Staggered pricing model for SSDFs with small dividend amount
- Order book trading with on-screen liquidity provider support
- Easy entering of off-book trades via the Eurex Trade Entry services
- The Block Trade size is 1–1000 contracts
- Mitigated risk through central clearing
- Portfolio-based Margining (Eurex Clearing Prisma)
- Settlement to the ordinary dividend payments made by a company over the course of an annual period

Single Stock Dividend Futures: volume and open interest since 2010



- Average daily volume in 2018: 27,092 contracts
- Customer business is still remarkably high: 62% of the traded volume

Contract specifications

Single Stock Dividend Futures	
Contract standards	Dividends of selected Eurozone, Swiss, U.K. and U.S. blue chip shares like Allianz, Nestlé, Vodafone or Apple
Currency	EUR, CHF, GBX (pence sterling) or USD
Contract value	Dividend payments in relation to a contract size of 1,000 shares.
Settlement	Cash settlement, payable on the first exchange day following the final settlement day.
Price quotation and minimum price change	In EUR, CHF or USD with three, and in GBX with two decimal places. The minimum price change is EUR/CHF/USD 0.001 and GBX 0.01, equivalent to a value of EUR/CHF/USD 1 and GBX 10 per contract.
Contract years	The five nearest successive annual contracts of the December cycle (from the first exchange day after the last trading day of the calendar year up to the final settlement day of the following calendar year) are tradable at any time.
Last trading day (and final settlement day)	The third Friday of each December maturity month if this is an exchange day; otherwise the exchange day immediately preceding that day. Close of trading in the maturing futures on the last trading day is at 12:00 CET.
Daily settlement price	Derived from the volume-weighted average of the prices of all transactions during the minute before 17:30 CET (reference point), provided that more than five trades are transacted within this period. For the remaining maturity months, the daily settlement price for a contract is determined based on the average bid/ask spread of the combination order book.
Final settlement price	Established by Eurex on the final settlement day at 12:00 CET, corresponding to the dividend for the respective company's business year. The final settlement price is determined to four decimal places.
Corporate actions	Treated in the same manner like Eurex Single Stock Futures in the adjustment of contract sizes and issuing of new contract series where necessary.
Trading hours	Order book: 08:30–17:30 CET/Block Trading: 08:30–19:00 CET (U.S. SSDFs: 08:30–20:00 CET)

Liquidity providers

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Morgan Stanley	Maximilian Leuschner	+44-20-76 77-91 12
Société Générale	Eric Carballeda	+33-10-42 13-32 24
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