

KOSPI 200 Options and Mini KOSPI Futures

KRX and Eurex Exchange have offered after-hours trading of KOSPI 200 Options at Eurex Exchange since 2010. This liquid equity index options contract trades in the European time zone, enabling access to the KOSPI 200 Options market during European and North American trading hours. From 28 November 2016 Eurex offers after-hours trading of Mini KOSPI 200 Futures making both KOSPI 200 Options and Mini KOSPI 200 Futures available on the Eurex platform (“Eurex KOSPI Products”).

The KOSPI 200 index, calculated by KRX, serves as underlying for the Mini Futures and Options. The KOSPI 200 is a market capitalization weighted index that consists of 200 blue chip stocks listed on the KRX stock market. The index is the benchmark for the Korean equity market.

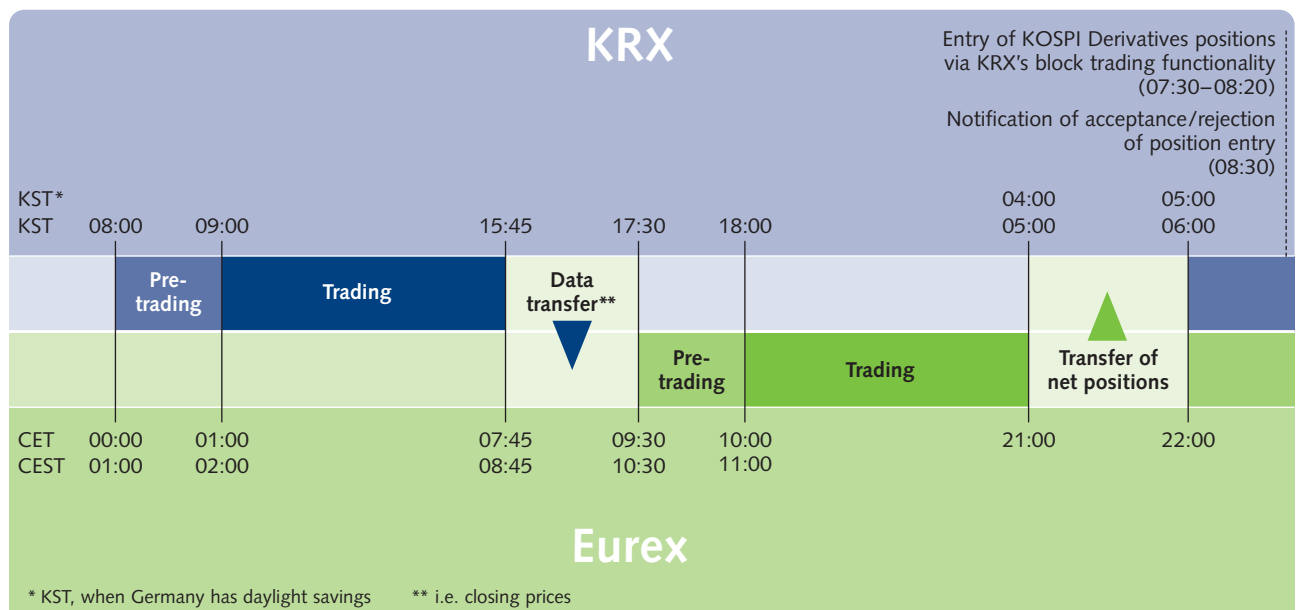
To provide market participants with a fully fungible after-hours trading session, Eurex lists daily futures on the KOSPI 200 Options (“Eurex KOSPI Options”) and daily futures on the Mini KOSPI 200 Futures (“Eurex Mini KOSPI Futures”). These contracts are available to Eurex members and their customers on the Eurex platform. At the end of the Eurex trading session, variation margin is paid or received in Korean Won. Positions are netted on a financial beneficiary basis and transferred from Eurex Clearing to KRX. KRX then

transfers this information to the respective KRX member for entry of the corresponding KOSPI derivatives into the KRX system via the block trading functionality. Therefore, all open interest in KOSPI derivatives is consolidated at KRX.

KRX and Eurex successfully extend the global reach of KOSPI 200 Options and launch Mini KOSPI Futures.

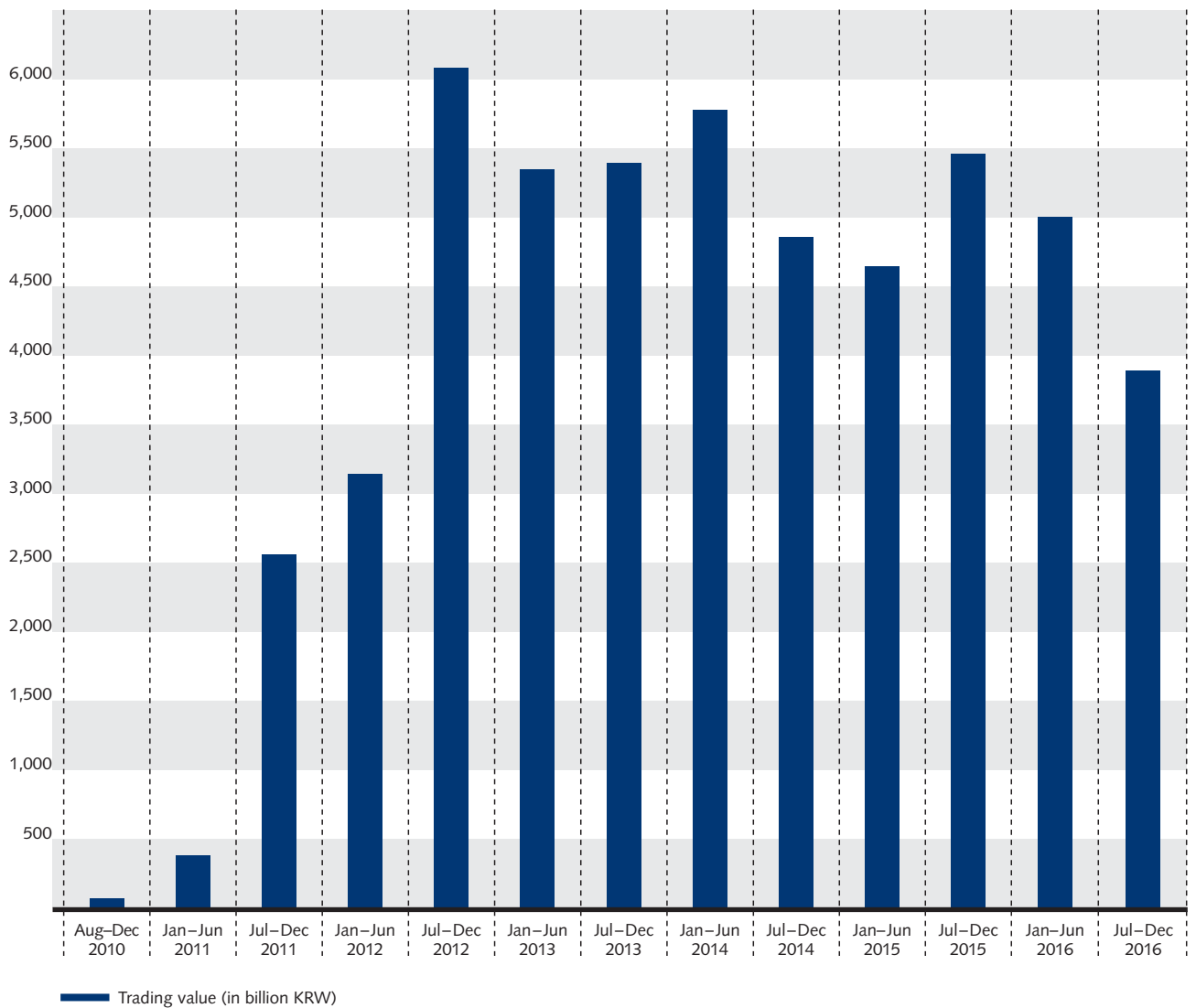
The Eurex/KRX Link has successfully extended the global reach of KOSPI 200 Options. After-hours trading on Eurex enables the market to react to overnight market movements. Market Makers are continuously providing liquidity, and more than 47 Eurex and KRX members are active in the Eurex /KRX Link. Since inception, over 138 million Eurex KOSPI Options were traded.¹

KOSPI derivatives 24-hour trading cycle



¹ Data as of December 2016

Eurex KOSPI Options – semi-annual trading value



With the introduction of Eurex Mini KOSPI Futures, Eurex builds on the success of Eurex KOSPI Options and broadens client participation. Eurex Mini KOSPI Futures are listed as fully fungible daily futures to allow a transfer of open interest from Eurex to KRX. The operational setup, as well as, the clearing and payment infrastructure mirror exactly the existing Eurex/KRX Link model for Eurex KOSPI Options. Listing of Eurex Mini KOSPI Futures provides an additional instrument and direct hedging vehicle for Eurex KOSPI Options on the same platform. Additionally, it allows more precise and dynamic hedging for small institutions and private investors.

Liquidity

The liquidity in KOSPI Options has continued to be strong. With the newly added Eurex Mini KOSPI Futures, Eurex and KRX have added further trading opportunities to their successful link. In 2016, the average daily traded volume (ADV) of Eurex KOSPI Options has been around 88,000 contracts.

To view current prices and volumes, please visit the Eurex website at www.eurexchange.com/kospi

Contract specifications

The Eurex KOSPI Products mirror the contract specifications of the KOSPI 200 Options and Mini KOSPI 200 Futures on KRX. It is legally a futures contract which expires daily into a KOSPI derivatives position at KRX prior to the market opening at KRX.

	Eurex KOSPI Products
Underlying	The relevant option series of KOSPI 200 Options listed at KRX. The relevant futures contract of Mini KOSPI 200 Futures listed at KRX.
Product code	Eurex KOSPI Options: OKS2 Eurex Mini KOSPI Futures: FMK2
Contract size	One contract of the relevant underlying KOSPI derivatives listed at KRX
Contract months	Eurex KOSPI Options: The four non-quarterly months plus seven quarterly months Eurex Mini KOSPI Futures: Consecutive six contract months
Price quotation	In points, with two decimal places.
Minimum price movement	Eurex KOSPI Options: 0.01 points (KRW 2,500) if the options premiums of the underlying are less than 10 points; 0.05 point (KRW 12,500) if the options premiums are at least 10 points. Eurex Mini KOSPI Futures: 0.02 points (KRW 1,000)
Contract term	One trading day. The Eurex KOSPI Products can be traded on each day, provided that this day is an exchange day at both Eurex and KRX.
Settlement	Variation margin on Eurex and physical delivery via position establishment in KOSPI 200 Options and Mini KOSPI 200 Futures on the following trading day on KRX prior to its market opening.
Daily / final settlement price	Equal to the daily settlement price for KOSPI 200 Options and Mini KOSPI 200 Futures in previous trading session of the same trading day on KRX. Cash flow resulting from the variation margin will be paid/received in KRW at a correspondent bank account in Korea.
Last trading day / final settlement day	Last trading day is the final settlement day. Each trading day of the Eurex KOSPI Products is also the last trading day.
Trading hours	10:00–21:00 CET (11:00 CET during daylight savings in Europe).
Vendor codes	Eurex KOSPI Options: Bloomberg L.P.: OKS2K index OMON CQG: OKS2 interactive data: OKS2my thomsonreuters: 0#OKS2*.EX / 0#KS200*.KSx (Eurex KOSPI Product / Composite RIC Code for KOSPI 200 Options (KRX) and Eurex KOSPI Product) Eurex Mini KOSPI Futures: Bloomberg L.P.: FXYA Index DES <GO> thomsonreuters: 0#FMK2

For detailed information about the contract specifications for KOSPI derivatives on KRX, please visit the KRX website at

<http://global.krx.co.kr> > [KRX Market](#) > [Market](#) > [Derivatives](#) > [Stock Index Products](#) > [KOSPI 200 Options](#)

or

<http://global.krx.co.kr> > [KRX Market](#) > [Market](#) > [Derivatives](#) > [Stock Index Products](#) > [Mini KOSPI 200 Futures](#)

Eurex Clearing

Eurex Clearing is one of the leading central counterparties globally, and assures the safety and integrity of markets while offering innovation in risk management, clearing technology and client asset protection.

Eurex Clearing provides fully automated, straight-through post-trade services for derivatives, equities, bonds, secured funding and financing, as well as industry-leading risk management technologies.

Key benefits of Eurex Clearing:

- Innovation in risk management
- Capital efficiencies
- Margin efficiencies
- Default Management
- Client Asset Protection
- Cross margining

Eurex Clearing Prisma

Eurex Clearing Prisma, our portfolio-based margining approach, offers numerous benefits:

- Greater accuracy and capital efficiency: cross-product scenarios facilitate a consistent method to account for portfolio correlation, diversification and margin reduction
- Robustness: methodology to enable stable margin requirements
- Reliable framework: consistent risk and default management process for listed and OTC products

Cross margining benefits can be expected by trading both Eurex KOSPI Options and Eurex Mini KOSPI Futures.

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Order Number: E1E-149-1016

ARBN Number: Eurex Frankfurt AG ARBN 100 999 764

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