

X-pand into the Future



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Equity Options: Introduction of Intra-day Non-Disclosure Limit for OTC Block Trades

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Content may be most important for:

➤ All departments

Attachment:

Planned threshold grouping by Equity Option

Summary:

The Executive Board of Eurex Clearing AG decided to introduce an intraday non-disclosure limit for OTC Block Trades in equity options. Five threshold values as of and including sizes of 20,001, 10,001, 5,001, 2,501 and 1,001 contracts will be determined, by reaching or exceeding of which Block Trades will not be disclosed by the Eurex® system. In order to guarantee non-disclosure in such cases, each trade will be validated against the respective non-disclosure limit determined by Eurex Clearing on product level. On the following day, the entire trade volume (including trade volumes that were not disclosed intraday) will be updated and distributed to the market.

Non-disclosure of OTC Block Trades in equity options will come into effect on **January 28, 2010**.

In the Eurex Permanent Simulation, the non-disclosure limit is already available for selected equity options.



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Equity Options: Introduction of Intra-day Non-Disclosure Limit for OTC Block Trades

1. Definition Non-Disclosure Limit

The Executive Board of Eurex Clearing AG decided to introduce an intraday non-disclosure limit for OTC Block Trades in equity options. Five threshold values as of and including sizes of 20.001, 10.001, 5.001, 2.501 and 1.001 contracts will be determined, by reaching or exceeding of which Block Trades will not be disclosed intra-day by the Eurex® system. In order to guarantee non-disclosure in such cases, each trade will be validated against the respective non-disclosure limit determined by Eurex Clearing on product level. On the following day, the entire trade volume (including trade volumes that were not disclosed intraday) will be updated and distributed to the market.

Non-disclosure of OTC Block Trades in equity options will come into effect on January 28, 2010.

2. Affected Eurex GUI Trading Windows for intraday Non-Disclosure of OTC Block Trades

Trades that exceed the non-disclosure limit are distributed intraday neither via the Enhanced Broadcast Solution interface nor via the VALUES interface in the Public Broadcast Streams. Also, the "Accumulated Trade Quantity" of these trades will not be considered. In detail, the following Eurex GUI windows that contain intraday public market data will not display trades that exceed the non-disclosure limit, nor consider these trades in the Accumulated Trade Quantities.

Affected windows in the Eurex GUI	Intraday Non-disclosure of volumes in fields				
	FutVol	PVol	CVol	Qty	Volume
<i>Trading Support - Product Statistics Overview</i>	n/a	✓	✓	n/a	n/a
<i>Trading Support - Contract Statistics Overview</i>	n/a	✓	✓	n/a	n/a
<i>Market Information - Online Times and Sales Sheet</i>	n/a	n/a	n/a	✓	n/a
<i>Market Information - Market Overview</i>	n/a	✓	✓	n/a	n/a
<i>Market Information - Contract Overview</i>	n/a	n/a	n/a	n/a	✓

n/a = not applicable

Since strategy trades are split up in various trade legs, the non-disclosure limit also applies to strategy trade legs with volumes that exceed the limit.

In contrast to public market information, broadcast streams and requests that contain private market data contain all trades, as before.

3. Disclosure of Information on OTC Block Trades on the following Day

After the batch run, reports will also contain updated volumes, including the ones that were not displayed. Also, all Block Trades (including price and quantity) that exceeded the non-disclosure limit can be requested in the "Online Times and Sales Sheet" by using the function "Select, Trading Filter" and by entering the date of the previous day.

4. Information on Non-Disclosure Limit

Attached to this circular is a list of the planned non-disclosure limits per group and on single product basis.

In the Eurex Permanent Simulation, the non-disclosure limit for selected stock options is already available. The following stock options and respective non-disclosure limits have been set up: ALV with 20,000, VOW with 10,000, ROY with 5,000, ENL5 with 2,500 and AFR with 1,000 contracts. All Block Trading trades that exceed these limits, will not be disclosed intra-day.

An overview of the wholesale trading parameters on product level are contained in the Excel file "Eurex product list and product groups". The list is available for download under the following path:

www.eurexchange.com > Trading > Wholesale Trading Parameters

The Excel file contains the product parameter "Block Volume Publication Limit" (see column "Blk Vol Pub Limit"), which reflects the cap for those volumes, up to which OTC Block Trades will be published for the various products. As of January 28, 2010, Block Volume Publication Limits for OSTK products will be updated in the Excel file with regard to the new limits.

Frankfurt, December 17, 2009



Planned threshold grouping by Equity Option

20.001		10.001		5.001		2.501		1.001											
Group A	Country Code	Group B	Country Code	Group B	Country Code	Group C	Country Code	Group C	Country Code	Group D	Country Code	Group D	Country Code	Group E	Country Code	Group E	Country Code	Group E	Country Code
ALV	DE	TKA	DE	VOVW	DE	BSD2	ES	QCE	DE	MRK	DE	UHRN	CH	AFR	FR	FRA	DE	RHK	DE
C5GN	CH	ABBN	CH	ZURN	CH	ENUR	FI	REP	ES	ACR	FR	VER	AT	AIR	FR	FRE3	DE	S BMO	NL
DTE	DE	ADEN	CH			EOA	DE	RIBH	AT	AHO	NL	VO3	DE	AIX	DE	FSE	FR	S GL	DE
MUV2	DE	ADS	DE			KPN	NL	ROG	CH	ASM	NL	VVD	FR	AKU	NL	G1A	DE	S GSN	CH
NESN	CH	AXA	FR			RPL	FI	ROY	NL	BNP	FR			AOM	FR	GAM	CH	S J7	FR
NOA3	FI	BAS	DE			TNE5	ES	SAZ	DE	BSN	FR			ARO	DE	GEBN	CH	SMPA	FI
POR3	DE	BAY	DE			AEN	NL	SCMN	CH	CAR	FR			AXI	FR	GMN	CH	S ND	FR
RUKN	CH	BMW	DE			ASG5	IT	SGM	FR	CIL	FR			BAEB	CH	HEI	DE	S OW	DE
SAP	DE	CBK	DE			ATLN	CH	SLHN	CH	CR5	IT			BAEN	CH	HELN	CH	STR	AT
SIE	DE	DAI	DE			BBVD	ES	SOON	CH	CSF	FR			BALN	CH	HNR1	DE	S Y1	DE
		DBI	DE			BEI	DE	SWV	DE	ENL5	IT			BKWN	CH	HOT	DE	THP	FR
		DBK	DE			CFR	CH	SZG	DE	ENT5	IT			BSLN	CH	KCO	DE	TK1	AT
		DPB	DE			CGE	FR	SZU	DE	FIA5	IT			BSV3	DE	KUD	CH	TTEB	FI
		DPW	DE			CLN	CH	TGM	DE	GAZ	RU			BYG	FR	LONN	CH	UBL	FR
		FTE	FR			CON	DE	TOTB	FR	GOB	FR			CAJ	FR	LXS	DE	UCM	IT
		IFX	DE			DXB	FR	TQI5	IT	GZF	FR			CF1B	CH	LYO	FR	UNC	BE
		INN	NL			FME	DE	UNI	NL	IES5	IT			CGM	FR	MPI	IT	UTDI	DE
		ISPA	FR			FOT	FI	VWJ	FR	KDB	BE			CL6	NL	MTX	DE	VOE	AT
		KNIN	CH			GBF	DE	WIE	AT	LOR	FR			CLS	DE	NDA	DE	WCH	DE
		LHA	DE			GXI	DE	XCA	FR	MOH	FR			DHZ	BE	NEF	FI	WIN	DE
		MAN	DE			HEN3	DE	FO4	NL	NNIA	RU			DSM	NL	NOBE	CH		
		MEO	DE			HNK	NL	PHI1	NL	PPHN	CH			EZF	FR	NVJ	BE		
		RWE	DE			HOLN	CH			PST	AT			EAD	FR	OERL	CH		
		SDF	DE			IBE	ES			RNL	FR			EBS	AT	OMV	AT		
		SYNN	CH			ITK	BE			SGE	FR			EIA	FI	PARG	CH		
		SYST	CH			LIN	DE			SKY	DE			ELV	NL	PER	FR		
		TUI	DE			LOGN	CH			SNW	FR			F3D	NL	PEU	FR		
		UBSN	CH			MLP	DE			SQU	FR			FIN	CH	PPX	FR		
		UHR	CH			NOVN	CH			TNT	NL			FNT	DE	QIA	DE		