Eurex Circular 048/19

Equity derivatives: Introduction of Single Stock Futures and equity options on Alcon Inc.

Summary

The Management Board of Eurex Deutschland took the following decisions with effect from 29 April 2019:

- Introduction of Single Stock Futures on Alcon Inc. pursuant to Annex A of the Attachment;
- Introduction of equity options on Alcon Inc. pursuant to Annex B of the Attachment;

This circular provides information on the introduction of the new products and the updated sections of the relevant Rules and Regulations of Eurex Deutschland.

Attachment:

Updated sections of Annexes A and B of the Contract Specifications for Futures Contracts and Options Contracts at Eurex Deutschland

Date: 16 April 2019

Recipients:
All Trading Participants of Eurex Deutschland and Vendors

Authorized by:
Michael Peters

Target group:
- All departments

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T +49-69-211-1 12 10,
eurextrading@eurexchange.com
Equity derivatives: Introduction of Single Stock Futures and equity options on Alcon Inc.

Introduction of Single Stock Futures

1. Product overview

<table>
<thead>
<tr>
<th>Eurex product code</th>
<th>Single Stock Future on</th>
<th>Underlying ISIN</th>
<th>Eurex group ID</th>
<th>Product currency</th>
<th>Product ISIN</th>
</tr>
</thead>
<tbody>
<tr>
<td>ALCF</td>
<td>Alcon Inc.</td>
<td>CH0432492467</td>
<td>CH01</td>
<td>EUR</td>
<td>DE000A2X16J5</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Eurex product code</th>
<th>Contract size</th>
<th>Minimum price change</th>
<th>Minimum size for Block Trades</th>
<th>Product group</th>
</tr>
</thead>
<tbody>
<tr>
<td>ALCF</td>
<td>100</td>
<td>0.0001</td>
<td>10</td>
<td>SNSFSC</td>
</tr>
</tbody>
</table>

2. Contract specifications and product parameters

In general, contract specifications for the new Single Stock Futures are in line with those for the existing Single Stock Futures with the relevant Eurex group ID, also in terms of trading hours and trading calendar, last trading day, settlement and determination of the daily and final settlement prices.

As of the introduction date of the new product, updated Annex A of the Contract Specifications for Futures Contracts and Options Contracts at Eurex Deutschland will be published on the Eurex website www.eurexchange.com under the following link:

Resources > Rules and Regulations > Contract specifications

3. Risk parameters

As of start of trading, risk parameters of the new product will be published on the Eurex website under the link:

Market data > Clearing data > Risk parameters and initial margins

and on the Eurex Clearing website www.eurexclearing.com under the link:

Risk management > Risk parameters

Under this link, you will also find an up-to-date list with details for all Prisma-eligible Eurex products.

4. Mistrade parameters and position limits

Mistrade ranges and position limits for the new Single Stock Futures will be published as of start of trading on the Eurex website under the links:

Products > Equity derivatives > Single Stock Futures

Products > Product information > Product specifications
5. **Transaction limits**
The same values apply as for existing Single Stock Futures with the relevant Eurex group ID. For details, please refer to the Eurex website under the link:

**Technology > Excessive System Usage Fee**

6. **Transaction fees**
The same transaction fees apply as for the corresponding existing Single Stock Futures.

7. **Vendor codes**
As of start of trading, data vendor codes for the new product will be published on the Eurex website under the link:

**Products > Vendor product codes**

8. **Liquidity Provisioning**
With effect from launch date, the following product will be included in the Liquidity Provider Scheme for Single Stock Futures (Equity-02) with the following parameters:

<table>
<thead>
<tr>
<th>Scheme</th>
<th>Single Stock Future on</th>
<th>Product ID</th>
<th>Spread Class</th>
<th>Basis Minimum Quote Size</th>
</tr>
</thead>
<tbody>
<tr>
<td>Others</td>
<td>Alcon Inc.</td>
<td>ALCF</td>
<td>SSF 3</td>
<td>5</td>
</tr>
</tbody>
</table>

**Introduction of equity options**

1. **Contract specifications and product parameters**

<table>
<thead>
<tr>
<th>Eurex product code</th>
<th>Contract size</th>
<th>Minimum price change below threshold</th>
<th>Maximum maturity (months)</th>
<th>Eurex-group ID</th>
<th>Product currency</th>
<th>Minimum size for Block Trades</th>
<th>Product group</th>
</tr>
</thead>
<tbody>
<tr>
<td>ALC</td>
<td>100</td>
<td>0.01</td>
<td>60</td>
<td>CH11</td>
<td>EUR</td>
<td>100</td>
<td>SNSOEC</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Eurex product code</th>
<th>Option on</th>
<th>Underlying ISIN</th>
<th>Product ISIN</th>
</tr>
</thead>
<tbody>
<tr>
<td>ALC</td>
<td>Alcon Inc.</td>
<td>CH0432492467</td>
<td>CH0432492467</td>
</tr>
</tbody>
</table>

As of the introduction date of the new product, updated Annex B of the Contract Specifications for Futures Contracts and Options Contracts at Eurex Deutschland will be published on the Eurex website under the following link:

**Resources > Rules and Regulations > Contract specifications**
2. Exercise prices

Exercise prices for the equity option follow the current Eurex standard of the respective group IDs. Please refer to the contract specifications for details.

Contract specifications for the new products are available on the Eurex website under the following link:

   Products > Equity derivatives > Equity options

3. Risk parameters

As of start of trading, risk parameters of the new product will be published on the Eurex website under the link:

   Market data > Clearing data > Risk parameters and initial margins

and on the Eurex Clearing website under the link:

   Risk management > Risk parameters

There, you will also find an up-to-date list with details for all Prisma-eligible Eurex products.

4. Trading hours

Trading hours for the new equity option correspond with the relevant trading hours of the existing Eurex group IDs. Please refer to the contract specifications for details.

5. Mistrade ranges, position limits

Mistrade ranges and position limits for the new equity option will be published as of start of trading on the Eurex website under the following links:

   Products > Equity derivatives > Equity options

   Products > Product information > Product specifications

6. Vendor codes

As of start of trading, data vendor codes for the new product will be published on the Eurex website under the following link:

   Products > Vendor product codes

7. Trading calendar

The existing trading calendar for equity options will apply. It can be found on the Eurex website under the link:

   Trading > Trading calendar

8. Transaction limits, minimum size for cross- and pre-arranged trades, transaction fees

The same values apply as for existing equity options with the respective Eurex group ID.
9. Eurex T7 Entry Services

The Flexible Options facility will be available upon acceptance of the General Conditions for Participation.

An overview of the Eurex T7 Entry Services available for the products as well as detailed information on all Single Stock Futures and equity options on single product basis with regard to availability, possibility of utilisation and minimum number of tradable contracts for the various Eurex T7 Entry Services is available on the Eurex website.

CSV file “Trading Parameters” contains product parameter “Block Volume Publication Limit” (see column “NonDisclosureLimit”) which defines the limit for volumes up to which Eurex Block Trades in the various products are published. Aforementioned information as well as the CSV file can be found on the Eurex website under the link:

Trading > Eurex T7 Entry Services > T7 Entry Service parameters

10. Liquidity Classes

Eurex Clearing AG grants rebates for Liquidity Provisioning for Equity Index, Equity (with Group ID ending in “11”, “12” or “13” as assigned in Annex B of the Eurex Contract Specifications) and Interest Rate Options according to the Eurex Liquidity Provider Agreement and number 3.2.1.1 of the Price List of Eurex Clearing AG. Eurex Clearing AG grants volume rebates for Equity Index, Equity and Interest Rate Options as well as Equity Index and Interest Rate Futures according to number 3.2.2 of the Price List of Eurex Clearing AG. The rebates for Liquidity Provisioning and the volume rebates are subject to the Liquidity Class (“LC”) of each respective product. This is realised by introducing three LCs: LC1, LC2 and LC3, whereby LC1 represents liquid products and LC3 represents the less liquid products. A comprehensive list of all products and the respective Liquidity Classes (where applicable) is published on the Eurex website under the following link:

Products > Product information

In addition, for automated processing of the Liquidity Class list (download) the file is published in the public area of the Common Report Engine (CRE).

11. Liquidity Provisioning

With effect from launch date, the following equity options will be integrated into the Liquidity Provider Scheme for Equity Options (Equity-01) with the following parameters:

<table>
<thead>
<tr>
<th>Scheme</th>
<th>Option on</th>
<th>Product ID</th>
<th>Package ID</th>
<th>Spread class</th>
<th>Basis Minimum Quote Size</th>
<th>Number of expirations to be quoted; the first</th>
</tr>
</thead>
<tbody>
<tr>
<td>Non-Package</td>
<td>Alcon Inc.</td>
<td>ALC</td>
<td>-</td>
<td>OSTK 8</td>
<td>10</td>
<td>6</td>
</tr>
</tbody>
</table>

If you have any questions or need further information, please contact Derivatives Trading Operations via tel. +49-69-211-1 12 10 or send an e-mail to: eurextrading@eurexchange.com.

16 April 2019
Annex A in relation to Subsection 1.6 of the Contract Specifications:

<table>
<thead>
<tr>
<th>Futures on Shares of</th>
<th>Product-ID</th>
<th>Group ID*</th>
<th>Cash Market ID*</th>
<th>Contract Size</th>
<th>Minimum Price Change</th>
<th>Currency**</th>
<th>Minimum Block Trade Size</th>
</tr>
</thead>
<tbody>
<tr>
<td>[...]</td>
<td></td>
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<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Alcon Inc.</td>
<td>ALCF</td>
<td>CH01</td>
<td>XVTX</td>
<td>100</td>
<td>0.0001</td>
<td>CHF</td>
<td>10</td>
</tr>
<tr>
<td>[...]</td>
<td></td>
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<td></td>
</tr>
</tbody>
</table>

Annex B in relation to Subsection 2.6 of the Contract Specifications:

<table>
<thead>
<tr>
<th>Options on Shares of</th>
<th>Product-ID</th>
<th>Group ID*</th>
<th>Cash Market ID*</th>
<th>Contract Size</th>
<th>Maximum Term (Months)</th>
<th>Minimum Price Change</th>
<th>Currency**</th>
<th>Minimum Block Trade Size</th>
</tr>
</thead>
<tbody>
<tr>
<td>[...]</td>
<td></td>
<td></td>
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<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Alcon Inc.</td>
<td>ALC</td>
<td>CH11</td>
<td>XVTX</td>
<td>100</td>
<td>60</td>
<td>0.01</td>
<td>CHF</td>
<td>100</td>
</tr>
<tr>
<td>[...]</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

* The group ID as well as the cash market ID shall be assigned by Eurex Deutschland according to the following table and shall, amongst other things, serve the purpose of determining a market place for the price of the share underlying the contract. If the reference market of the underlying share is changed within the Electronic Trading System of the Euronext Exchanges Euronext Brussels, Euronext Paris and Euronext Amsterdam, the Management Board of Eurex Deutschland may change the cash market-ID for a contract and thus determine a relevant cash market other than the cash market determined upon the introduction of the contract.

** GBX: Pence Sterling

The table referenced below stipulates further information for products with a premium threshold. The information regarding the below mentioned products is supplementary to the information stipulated in the table above.
<table>
<thead>
<tr>
<th>Options on shares of</th>
<th>Product-ID</th>
<th>Group ID</th>
<th>Minimum price change below threshold</th>
<th>Premium Threshold</th>
<th>Minimum price change above threshold</th>
</tr>
</thead>
<tbody>
<tr>
<td><a href="...">...</a></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Alcon Inc.</td>
<td>ALC</td>
<td>CH11</td>
<td>0.01</td>
<td>5</td>
<td>0.05</td>
</tr>
<tr>
<td><a href="...">...</a></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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</tbody>
</table>

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