

Eurex EnLight – combining off-book liquidity with on-exchange efficiency

Eurex EnLight is a selective request-for-quote (RFQ) platform, fully integrated into the T7 trading system. It is designed to enhance market structure and bring together buying and selling interest from all types of market participants engaged in off-book trading.

The fully automated solution replicates the core aspects of voice/chat trading while providing its users all the advantages of automatic electronic price formation, data collection and timely information retrieval that meets MiFID II Best Execution requirements.

Eurex EnLight serves larger scale execution requirements, not suited for the central limit order book. In addition to solving some core challenges for our members, Eurex believes the increased electrification of the off-book business will ultimately improve overall market liquidity and increase structural diversity.

Best Execution

Solving the four key aspects of MiFID II Best Execution within the existing voice and chat workflows is no small task and can prove to be quite costly. Eurex EnLight accurately replicates the voice business, while affording its users all the advantages of electronic data collection, quote collation, synchronization, and of course the efficient, timely retrieval of all this information should it be required in the future.

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Eurex adapts their market models to further enhance market structures. To serve our clients in their large-scale business, we developed Eurex EnLight – an on-exchange execution mechanism increasing operational efficiencies in the off-book segment. This way, we further improve liquidity for the benefit of all market participants. Furthermore, as investment behavior and regulation continuously evolve, Eurex EnLight supports market participants to meet regulatory requirements like best execution and increases transparency in the off-book price discovery process. ”

Randolf Roth, Member of the Eurex Executive Board

Eurex EnLight – the price discovery platform

Voice/chat price formation is primarily a series of bilateral conversations, making it difficult to efficiently retrieve and collate quotes from more than a few participants at a time. Eurex EnLight is designed to bring off-book business in Eurex products on-exchange and into central clearing. Eurex EnLight allows banks and brokers to selectively contact Liquidity Providers with requests for quotes in order to find a trading counterparty. The negotiation is not anonymous, meaning the execution broker selects the Liquidity Providers with whom he wants to interact, and the Liquidity Provider can

A solution to meet the best execution challenge for your ETD off-book business



Requirement to take all sufficient steps to achieve the best result for clients*



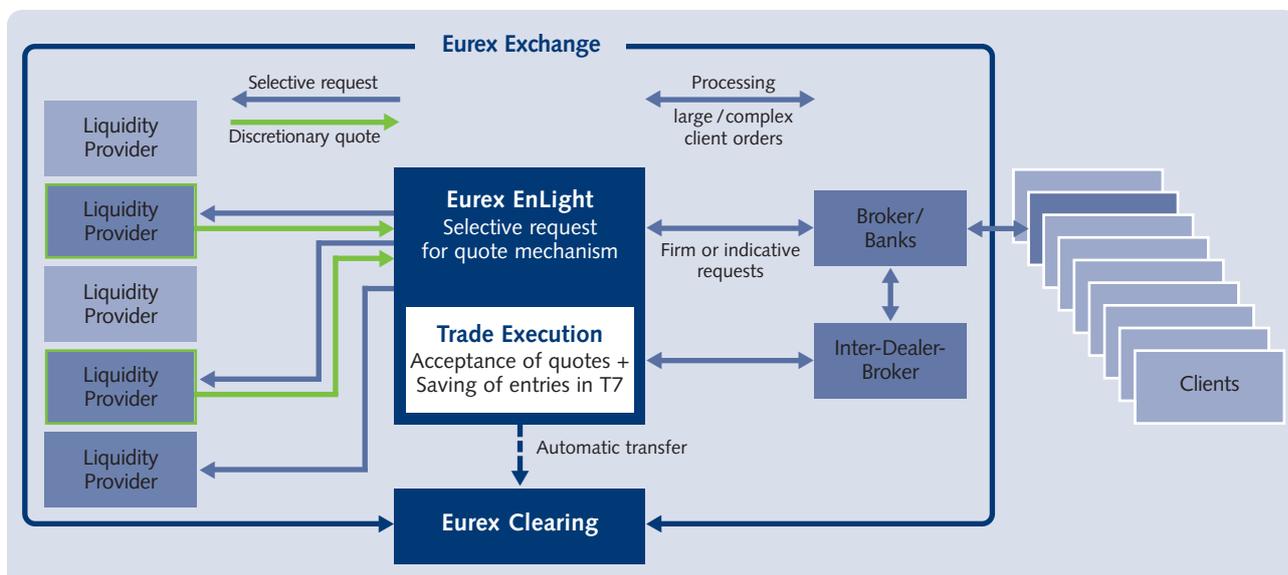
Take into account price, cost, speed, likelihood of execution, size, nature or any other considerations*



All communication intended to lead to a trade needs to be collected, collated and synchronized**



Synchronized data must be retrievable in a timely manner, for use in proof of BestEx from clients for up to five years***



see who is sending the RFQ (non-anonymous requests). Orders are executed on Eurex EnLight and then automatically transmitted for subsequent clearing.

With Eurex EnLight, it is just as easy to receive quotes and strike deals with multiple participants as it is with just one, increasing the diversity and depth of liquidity. The platform displays a collated view of all received quotes as well as implied order book prices.

Highlights

Increase your process efficiency

Eurex EnLight enhances the process around coping with large and complex orders while reducing the time-to-market of price discovery from multiple participants. The platform displays a collated view of all received quotes as well as implied order book prices, providing all relevant information at a glance. It also allows for improved intelligence capabilities via collection and analysis of price formation data. It additionally enhances operational efficiencies by utilizing on-exchange execution mechanisms and, going forward, allowing for full STP workflows.

Your source to liquidity and new pools

Eurex EnLight enables easy access to a large number of participants and thereby provides for liquidity in complex, large orders. Full liquidity information is available at a glance, increasing speed of price formation and reducing slippage.

Built on proven technology

Eurex EnLight is built on Eurex Exchange's T7 trading architecture. The platform is accessible via the Eurex GUI or the T7 API. No separate agreements or special setups are required.

Comply with Best Execution obligations

Eurex EnLight assists members to comply with MiFID II / MiFIR obligations, specifically around Best Execution. With the trade capture and reporting functionality, handwritten desk blotters, voice calls and chats can be superseded with exchange data and reporting for assistance with proof of Best Execution. The platform does not impose Best Execution interpretation but offers the tools to monitor and enforce the firm's policy.

Take advantage of improved and automated compliance control and reporting

Eurex EnLight is a fully electronic platform with comprehensive audit trail functionality facilitating in-house compliance.

Product scope

Eurex EnLight is available for all equity, equity index and fixed income options and corresponding futures traded on Eurex which includes benchmarks such as options on EURO STOXX 50® and DAX® as well as options on Euro-Bund Futures, Euro-Bobl Futures and Euro-Schatz Futures. It is also possible to trade calendar rolls of 19 MSCI Futures via Eurex EnLight.

For further information please visit www.eurexchange.com/enlight or contact

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