

# C7 Release 10.0

Focus call 8 November 2023

# Agenda

- 1 Key Dates & Documentation
- 2 Scope items
- 3 Q & A

# 1 Key Dates & Documentation

# Key Dates



Additional dates to be considered for the following items in the C7 Release 10.0:

Change	Simulation	Production
Product delisting Fair Value Settlement price	12 September 2023	15 January 2024
Position transfer with cash	28 November 2023	4 December 2023

# Initiatives page & documentation



All documentation on the Eurex Clearing website [www.eurex.com](http://www.eurex.com)

**Eurex > Clear > Support > Initiatives & Releases > C7 Releases >**

**C7 Release 10.0**

# 2 Scope Items

# C7 Release 10.0 Scope Items

## Scope Items

**1** New rounding rules for cash flows

**5** Additional Broker information

**2** Buy-Side Trading Disclosure

**6** Further FIXML changes

**3** Product Delisting / Fair Value Settlement

**7** Currency Haircut File

**4** Position Transfer with Cash reference fields

**8** Admissible Securities File change

# New Rounding Rules for Cash Flows

- Change in the rounding convention for cash flows resulting from ETD business based on Clearing Member request
- Current logic leading to difference in Variation Margin calculation for single stock futures and higher residuals than necessary for Average Pricing
- Cash flows impacted: Variation margin, premium, position transfer with cash, final cash settlement of options and residual calculations resulting from Average Pricing

- **Currently:**

Cash flows are rounded on contract level and subsequently multiplied with the number of contracts:

$$\text{VM} = \text{number of contracts} * \text{ROUND} ((\text{current day settlement price} - \text{transaction price}) * \text{trading unit})$$

- **With the new rule:**

The rounding will be applied after the amounts are calculated on transaction level respective the position level:

$$\text{VM} = \text{ROUND} (\text{number of contracts} * (\text{current day settlement price} - \text{transaction price}) * \text{trading unit})$$

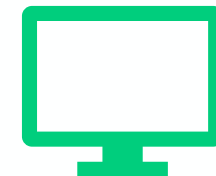


# Buy-Side Trading Disclosure

## Technical implementation only

- The **initiative** for Trading Participants to voluntarily disclose the owner of end client transactions within the T7 infrastructure **on hold. No functional changes. C7 technical implementation required**
- Change values in FIXML and clearing reports

Previous TrdType (FIXTag 828)	New TrdType (FIXTag 828)	trdTyp (C7 Reports) Orig Trade Type (C7 GUI)	Description
1009	1050	G	VBAP On-Exch Buyside non-disclosed
1010	1051	H	VBAP TES1 Buyside non-disclosed
1011	1052	J	VBAP TES2 Buyside non-disclosed



# Product Delisting / Fair Value Settlement

## Current process

- Manual process. Snapshot of the position and manual payment of the position transfer
- Book out and cash adjustment (294 cash settlement paid / 296 cash settlement received)
- Reconciliation break in CB012 "Account Statement" and CD710 "Daily cash account"
- Manual cash transaction not automatically reflected in reg. reporting



## New process

- C7 will automatically generate closing transactions at EOD for every open position
- Closing transactions will be booked at a Fair Value Price (FVP) as settlement price
- Closing transactions and corresponding cash amounts will be automatically integrated in CB012 and CD710

New values with reason of delisting "closing transaction" will be visible in clearing interfaces:

### C7 GUI

- "Orig Trade Type" new value "R - Product De-listing"
- "TranType" new value "134 CLOSING TRANSACTION"



### FIXML

- FIX tag 828 TrdType = "1060"
- FIX tag 830 TransferReason = "134"



### Reports

CB012 "Account Statement"

- "trdTyp" new value "R" (Product De-listing)
- "trnTyp" new value "134" (Closing Transaction)



# Position Transfer with Cash Reference Fields



Regulatory compliance driven to validate cash amounts



Additional mandatory information to be entered on “**Position Transfer with Cash**” and “**Cash Only Transfer**”

To be provided by Clearing Member or DC Market Participant when entering a Position Transfer with Cash or Cash Only Transfer in the C7 Clearing GUI “Position Transfer entry” window:





- “Original trade date from”
- “Original trade date to”



Impact on **C7 GUI only** (FIXML not impacted since “Position Transfer with Cash” & “Cash Only Transfer” can only be performed via GUI)

# Additional Broker Information

- Enhancement driven by Clearing Member request
- C7 will provide additional broker-specific information at transaction level:
  - “**TES Initiator**”  the participant who initiated the off-book trade on the trading platform
  - “**Initial Broker**”  the executing member of the transaction on the trading platform
- These values will be included in the **FIXML transaction confirmation messages** (*TradeCaptureReport*) and **workflow messages** (*AllocationReport*) as well as in **C7 GUI transaction overview** windows and relevant C7 transaction **reports**
- Information carried over beyond subsequent transaction adjustments (such as give-up / take-up)

## C7 GUI

- Transaction Overview and Transaction details (transaction separation/Adjustment, account Transfer, O/C adjust, merge, give-up, etc)
- Give-up / Take-up Overview
- VBAP Group Overview

## FIXML

- “TES Initiator” and “Initial Broker” in the RootParties and NestedParties in the Trade Capture Report
- “PartyRoleQualifier” new value “30 = Exchange order submitter”

## Reports

- CB012 Account Statement
- CB715 Average Pricing
- CB716 Value Based Average Pricing
- CB750 Give-Up Trades Overview
- CB751 Take-Up Trades Overview
- CI012 Account Statement

# Further FIXML changes

## New FIXML tag 70 “AllocID” (Value Based Average Pricing)

- New identifier in the TradeCaptureReport message to link the average price transactions that are generated due to an AllocationInstruction
- Needed in case of a pro-rata allocation resulting from different trade types (where one request results in more than one average price transactions)
- Clearing member’s request ID (FIXML tag 70 out of AllocInstrctn) will be added to the TradeCaptureReport

## FIXML Changes in Allocation messages

- New fields “**Original Trade MatchID**” and “**Original Order ID**” will be provided in the give up and take up FIXML workflow messages
- No changes to C7 GUI

# Currency Haircut File

## Overview

- The Currency Haircut file contains currency haircut parameters and adjusted exchange rates information
- Existing file on the **website** in .txt format will be replaced with a .csv version
- Temporary parallel phase in CRE with both versions (.txt and .csv) available
  - FTHCPARAPUBLIYYYYMMDD.CSV.ZIP
  - FTHCPARMPUBLIYYYYMMDD.TXT.ZIP

## Location

Location	Format	Format
Eurex Clear > Services > Risk parameters > Haircut and adjusted exchange rates	<del>.txt</del> (decommissioned with C7 Release 10.0)	.csv (new)
Common Report Engine (CRE)	.txt (will be decommissioned in Q2 2024)	.csv

# Admissible Securities File Changes

- The Admissible Securities File lists securities accepted by Eurex Clearing as collateral for the European Central Bank or Swiss National Bank
- The “Admissible Securities” file for margin collateral is currently available in the following locations:

Location	Format	Format
Eurex website <a href="http://www.eurex.com/ec-en">www.eurex.com/ec-en</a> > Services > Risk parameters > Risk parameters > General Parameters	txt	
Common Report Engine (CRE)	txt	csv

- The existing csv version ADMISECUPUBLIYYYYMMDD.csv in the public area of the Common Report Engine will include additional header information
- Enhancement to ensure consistency and facilitate automation

# Questions



# Thank you!

**Maria Gracia**  
Clearing Member Readiness

Eurex Frankfurt AG  
Mergenthalerallee 61  
65760 Eschborn  
Tel: +49 151 5080 1578  
[maria.gracia@deutsche-boerse.com](mailto:maria.gracia@deutsche-boerse.com)

# Disclaimer

© Eurex 2023

Deutsche Börse AG (“DBAG”), Clearstream Banking AG (“Clearstream”), Eurex Frankfurt AG (“Eurex”), Eurex Clearing AG (“Eurex Clearing”), Eurex Securities Transactions Services GmbH (“Eurex STS”) and Eurex Repo GmbH (“Eurex Repo”) are corporate entities and are registered under German law. Eurex Global Derivatives AG is a corporate entity and is registered under Swiss law. Clearstream Banking S.A. is a corporate entity and is registered under Luxembourg law. Eurex Frankfurt AG is the administrating and operating institution of Eurex Deutschland. Eurex Deutschland is in the following referred to as the “Eurex Exchange”.

All intellectual property, proprietary and other rights and interests in this publication and the subject matter hereof (other than certain trademarks and service marks listed below) are owned by DBAG or its affiliates and subsidiaries or used under authorization by their respective owners, including, without limitation, all patent, registered design, copyright, trademark and service mark rights. While reasonable care has been taken in the preparation of this publication to provide details that are accurate and not misleading at the time of publication DBAG, Clearstream, Eurex, Eurex Clearing, Eurex Repo as well as the Eurex Exchange and their respective subsidiaries, servants and agents (a) do not make any representations or warranties regarding the information contained herein, whether express or implied, including without limitation any implied warranty of merchantability or fitness for a particular purpose or any warranty with respect to the accuracy, correctness, quality, completeness or timeliness of such information, and (b) shall not be responsible or liable for any third party’s use of any information contained herein under any circumstances, including, without limitation, in connection with actual trading or otherwise or for any errors or omissions contained in this publication.

This publication is published for information purposes only and shall not constitute investment advice respectively does not constitute an offer, solicitation or recommendation to acquire or dispose of any investment or to engage in any other transaction. This publication is not intended for solicitation purposes but only for use as general information. All descriptions, examples and calculations contained in this publication are for illustrative purposes only.

Eurex and Eurex Clearing offer services directly to members of the Eurex Exchange respectively to clearing members of Eurex Clearing. Those who desire to trade any products available on the Eurex market or who desire to offer and sell any such products to others or who desire to possess a clearing license of Eurex Clearing in order to participate in the clearing process provided by Eurex Clearing, should consider legal and regulatory requirements of those jurisdictions relevant to them, as well as the risks associated with such products, before doing so.

Only Eurex derivatives that are CFTC-approved may be traded via direct access in the United States or by United States persons. A complete, up-to-date list of Eurex derivatives that are CFTC-approved is available at: <https://www.eurex.com/ex-en/rules-regs/eurex-derivatives-us>.

In addition, Eurex representatives and participants may familiarize U.S. Qualified Institutional Buyers (QIBs) and broker-dealers with certain eligible Eurex equity options and equity index options pursuant to the terms of the SEC’s

July 1, 2013 Class No-Action Relief. A complete, up-to-date list of Eurex options that are eligible under the SEC Class No-Action Relief is available at: <https://www.eurex.com/ex-en/rules-regs/eurex-derivatives-us/eurex-options-in-the-us-for-eligible-customers>. Lastly, U.S. QIBs and broker-dealers trading on behalf of QIBs may trade certain single-security futures and narrow-based security index futures subject to terms and conditions of the SEC’s Exchange Act Release No. 60,194 (June 30, 2009), 74 Fed. Reg. 32,200 (July 7, 2009) and the CFTC’s Division of Clearing and Intermediary Oversight Advisory Concerning the Offer and Sale of Foreign Security Futures Products to Customers Located in the United States (June 8, 2010).

## Trademarks and Service Marks

Buxl®, DAX®, DivDAX®, eb.rexx®, Eurex®, Eurex Repo®, Eurex Strategy WizardSM, Euro GC Pooling®, FDAX®, FWB®, GC Pooling®, GCPI®, MDAX®, ODAX®, SDAX®, TecDAX®, USD GC Pooling®, VDAX®, VDAX-NEW® and Xetra® are registered trademarks of DBAG or its affiliates and subsidiaries. All MSCI indexes are service marks and the exclusive property of MSCI Barra. ATX®, ATX® five, CECE® and RDX® are registered trademarks of Vienna Stock Exchange AG. IPD® UK Quarterly Indexes are registered trademarks of Investment Property Databank Ltd. IPD have been licensed for the use by Eurex for derivatives. SLI®, SMI® and SMIM® are registered trademarks of SIX Swiss Exchange AG. The STOXX® indexes, the data included therein and the trademarks used in the index names are the intellectual property of STOXX Limited and/or its licensors. Eurex derivatives based on the STOXX® indexes are in no way sponsored, endorsed, sold or promoted by STOXX and its licensors and neither STOXX nor its licensors shall have any liability with respect thereto. PCS® and Property Claim Services® are registered trademarks of ISO Services, Inc. Korea Exchange, KRX, KOSPI and KOSPI 200 are registered trademarks of Korea Exchange Inc. The names of other companies and third party products may be trademarks or service marks of their respective owners.

Eurex Deutschland qualifies as manufacturer of packaged retail and insurance-based investment products (PRIIPs) under Regulation (EU) No 1286/2014 on key information documents for packaged retail and insurance-based investment products (PRIIPs Regulation), and provides key information documents (KIDs) covering PRIIPs traded on Eurex Deutschland on its website under the following link: <https://www.eurex.com/ex-en/rules-regs/priips-kids>.

In addition, according to Art. 14(1) PRIIPs Regulation the person advising on, or selling, a PRIIP shall provide the KID to retail investors free of charge.