

EURO STOXX 50[®] Options

Improving visible order book liquidity: New liquidity provider scheme

Eurex is launching a new liquidity provider scheme for EURO STOXX 50[®] Options (OESX), effective 1 July 2025. The scheme aims to enhance overall liquidity and facilitate smoother trading by implementing a competitive incentive structure for liquidity providers (LPs), targeting to massively improve visible liquidity in the order book. Its objective is to attract more market participants and make trading easier by improving both the depth of the order book and efficiency to interact with liquidity in this key product.

EXTENSIVE AND DYNAMIC INSTRUMENT SCOPE

- End users will benefit from **liquidity** across an expansive universe of instruments
- The coverage will include **all expiries** of OESX i.e., weekly and monthly options **within first two years and all strikes within a broad delta window**
- The new LP program will **meet the needs of a broader range of market participants** by providing a high-quality quoted surface in over **2,000 instruments**

IMPROVED EFFICIENCY AND PRICE DISCOVERY

- The scheme shifts away from fixed requirement thresholds to focus on rewarding **real liquidity provisioning performance**
- This approach encourages **competitive advantages** among liquidity providers
- **Spread improvements of at least 80 percent and size improvements of 250 percent or more**, compared to current threshold requirement reward the maximum rebate, ensuring motivated and aggressive quoting across a wide set of options

Key benefits compared to the previous scheme



Quotation of the entire curve

All instruments across a wide range of maturities and strikes will be continuously quoted, fueling engines for trade idea generation.



More competitive order book picture

Motivate LPs to excel, while providing flexibility in volatile moments, ensuring the most competitive order book picture across market phases



Efficient price discovery

Lower barriers to adoption with easily available strong liquidity in the book, allowing for fully electronic trading strategies

EASIER ACCESS TO LIQUIDITY

- LPs competing for **passive execution** will enable customers seeking **visible liquidity** to fully electronically execute with increased certainty in the order book
- The consistent and permanent availability of the entire curve being quoted will not only support order book trading, but positively impact the **entire market**

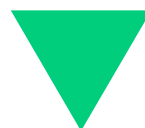


Current state and future goals

Current LP state	Limited coverage	Fixed thresholds	Market structure
	Separated weekly and monthly program 7/15 strikes around ATM Optionality in strike selection for LPs lead to gaps in quoted surface	Requirements: 8 percent spread & 100 contract size No incentive for overperformance, binary reward logic	Information asymmetries and speed race lead to perceived lack of offered liquidity Order book share of approximately 35 percent



Future LP state	Basic building block	Advanced building block	Passive volume incentive
	Unified program for all OESX instruments All instruments in first 2 years across a wide delta range $ \Delta \leq 75$, covered over 90 percent of the time	Reward actual, time weighted spread and size quality Set high targets for maximum rewards (80 percent tighter and 250 percent of size) compared to thresholds	A good quote is a traded quote Competition for incentive pool based on passive executions



Goals	Consistency	Overperformance	Visible liquidity
	An uninterrupted quoted volatility surface for the benefit of end users	Rebate optimization for LPs supports the market by tightening screens	Provide tangible liquidity for end customers to interact with and trade

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