



eurex clearing circular 104/16

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Recipients: All Clearing Members of Eurex Clearing AG and Vendors
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MSCI index derivatives: Introduction of further futures

Related Eurex circular: 074/16

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Content may be most important for:

☞ All departments

Attachments:

1. Updated sections of the Conditions for Utilization of the Eurex Trade Entry Services (General Conditions for Participation)
2. Designated Market Maker Agreement

Summary:

Effective **5 September 2016**, Eurex Clearing will offer clearing services for further MSCI index futures introduced at Eurex Exchange.

This circular contains information on clearing of the respective products. Attached are updated sections of the relevant Conditions for Utilization of the Eurex Trade Entry Services (General Conditions for Participation) of Eurex Clearing which will come into effect on 5 September 2016.

Please refer to Eurex circular 074/16 for specific trading-related information on the introduction of the new products as well as the updated sections of the relevant Rules and Regulations of Eurex Deutschland and Eurex Zürich AG.

MSCI index derivatives: Introduction of further futures

Effective 5 September 2016, Eurex Clearing will offer clearing services for further MSCI index futures introduced at Eurex Exchange.

This circular contains information on clearing of the respective products and the updated sections of the relevant Conditions for Utilization of the Eurex Trade Entry Services (General Conditions for Participation) of Eurex Clearing, which will come into effect on 5 September 2016.

Please refer to Eurex circular 074/16 for specific trading-related information on the introduction of the new products as well as the updated sections of the relevant Rules and Regulations of Eurex Deutschland and Eurex Zürich.

1. Overview

Underlying instruments					
Index	Currency	Index type	ISIN	Bloomberg (end of day)*	Reuters (end of day)*
MSCI ACWI	EUR	NTR	XC000A1DKM67	NDEEWNR	.dMIWD00000NEU
MSCI Canada	USD	GTR	XC000A2BNK00	GDDUCA	.dMICA00000GUS
MSCI Canada	USD	NTR	XC000A2BNK34	NDDUCA	.dMICA00000NUS
MSCI EMU	EUR	GTR	XC000A1HT0T2	MSDEEMUG	.dMIEM00000GEU
MSCI Europe	EUR	GTR	XC000A1RRS50	MSDEE15G	.dMIEU00000GEU
MSCI Europe	USD	GTR	XC000A0SYHM2	GDDUE15	.dMIEU00000GUS
MSCI France	EUR	GTR	XC000A2BNKY6	MSDEFGRG	.dMIFR00000GEU
MSCI France	EUR	NTR	XC000A2BNK26	MSDEFERN	.dMIFR00000NEU
MSCI North America	USD	GTR	XC000A2BNK18	GDDUNA	.dMINA00000GUS
MSCI North America	USD	NTR	XC000A1EZFA6	NDDUNA	.dMINA00000NUS
MSCI UK	USD	NTR	XC000A2BNK59	NDDUUK	.dMIGB00000NUS
MSCI USA	USD	GTR	XC000A1EZLH9	GDDUUS	.dMIUS00000GUS
MSCI World	EUR	GTR	XC000A2BNKZ3	GSESWRLD	.dMIWO00000GEU
MSCI World	USD	GTR	XC000A0SYGW3	GDDUWI	.dMIWO00000GUS

*Under a different ID, all of these indexes are also calculated real-time. Basis for the calculation of the final settlement price, however, are the indexes listed above which are calculated once a day.

Eurex products					
Futures	Currency	Index type	Product code	ISIN	Product type
MSCI ACWI	EUR	NTR	FMAE	DE000A2BNLK1	FINX
MSCI Canada	USD	GTR	FMGC	DE000A2BNLB0	FINX
MSCI Canada	USD	NTR	FMCA	DE000A2BNLC8	FINX
MSCI EMU	EUR	GTR	FMGM	DE000A2BNLE4	FINX
MSCI Europe	EUR	GTR	FMGE	DE000A2BNLF1	FINX
MSCI Europe	USD	GTR	FMGU	DE000A2BNLG9	FINX

Eurex products					
Futures	Currency	Index type	Product code	ISIN	Product type
MSCI France	EUR	GTR	FMGF	DE000A2BNK77	FINX
MSCI France	EUR	NTR	FMFR	DE000A2BNK85	FINX
MSCI North America	USD	GTR	FMGA	DE000A2BNLA2	FINX
MSCI North America	USD	NTR	FMNA	DE000A2BNLL9	FINX
MSCI UK	USD	NTR	FMDK	DE000A2BNK93	FINX
MSCI USA	USD	GTR	FMGS	DE000A2BNLH7	FINX
MSCI World	EUR	GTR	FMWE	DE000A2BNK69	FINX
MSCI World	USD	GTR	FMWG	DE000A2BNLJ3	FINX

2. Contract specifications

For the detailed contract specifications please refer to Eurex circular 074/16.

Underlying instrument	MSCI Indexes
Description of underlying	The index rules and regulations can be found on the MSCI website under www.msci.com .
Contract value	<ul style="list-style-type: none"> EUR 100 per index point for MSCI ACWI Index (NTR, EUR), MSCI Europe (GTR, EUR), MSCI EMU Index (GTR, EUR), MSCI France (GTR, EUR), MSCI France (NTR, EUR) and MSCI World Index (GTR, EUR) USD 10 per index point for MSCI Canada (GTR, USD), MSCI Canada (NTR, USD) and MSCI Europe (GTR, USD), MSCI North America (GTR, USD), MSCI North America (NTR, USD), MSCI United Kingdom (NTR, USD), MSCI USA (GTR, USD) and MSCI World Index (GTR, USD)
Settlement	cash settlement, due on the first exchange trading day after settlement day
Price determination	in points, with two decimal places
Minimum price change	<ul style="list-style-type: none"> MSCI ACWI Index (NTR, EUR), MSCI EMU Index (GTR, EUR), MSCI Europe (GTR, EUR), MSCI France (GTR, EUR), MSCI France (NTR, EUR), MSCI World Index (GTR, EUR): 0.05 (equals EUR 5.00) MSCI Canada (GTR, USD), MSCI Canada (NTR, USD), MSCI Europe (GTR, USD), MSCI North America (GTR, USD), MSCI North America (NTR, USD), MSCI United Kingdom (NTR, USD), MSCI USA (GTR, USD), MSCI World (GTR, USD): 1 (equals USD 10.00)
Contract months	The next four quarter months of the cycle March, June, September and December and the next four successive semi-annual months from the cycle June and December (36 months)
Last trading day/ settlement day	<p>The third Friday of each maturity month, if this is an exchange trading day at Eurex Exchange and (in case of national indexes) at the respective domestic exchange, otherwise the exchange trading day immediately preceding that day.</p> <p>Close of trading for maturing series: 22:00 CET</p> <p>The settlement day is the exchange trading day following the last trading day.</p>
Final settlement price	Relevant for the MSCI equity index derivatives is the index closing price on the last trading day.

3. Product groups

The product groups assigned to the MSCI index derivatives are as follows:

Product	Product group	Settlement location unit	Regulatory status	Settlement type	Product type	Product segment	Product currency	Product group code					
								X	N	C	F	Q	E
EUR-denominated MSCI Futures	E/I Futures in EUR	no	not approved for trading in the U.S.	cash	F	Equity index	EUR	X	N	C	F	Q	E
USD-denominated MSCI Futures	E/I Futures in USD	no	not approved for trading in the U.S.	cash	F	Equity index	USD	X	N	C	H	Q	U

The product group assigned for the MSCI index derivatives are as follows:

4. Transaction fees

The fees for trading and clearing for the new MSCI index derivatives will be unchanged to the existing fees for MSCI index derivatives. Please refer to the Price List of Eurex Clearing.

5. Admission to the Eurex Trade Entry Services

The new MSCI index futures will be admitted to the Eurex Trade Entry Services like the existing futures. The minimum number of contracts to be traded can be seen in attachment 1.

Participants who are already registered for the Eurex Trade Entry Services may use the respective services for the new MSCI index futures without any further action.

6. Eurex Flexible Futures Service

The Eurex Flexible Futures Service will also be available for the new MSCI index futures upon acceptance of the General Conditions for Participation.

7. Market-Making

Eurex Clearing will take the existing measures with respect to the Designated Market-Making scheme of Eurex Deutschland and Eurex Zürich for the MSCI index. Please refer to Eurex circular 074/16 for the configuration of the Market-Making requirements as well as the refund and revenue sharing scheme.

8. Risk parameters

The new MSCI index futures are admitted for calculation in Prisma.

For the risk parameters of the new products, please refer to the Eurex Clearing website www.eurexclearing.com under the link:

Risk management > Risk parameters

There you can also find an updated list with details on Prisma-eligible Eurex products.

9. Trading hours (CET)

Product	Pre-trading period	Continuous Trading	Post-trading Full Period	EurexTES Block Trading	Last trading day
					Trading until
MSCI Futures	07:30 – 7:50	7:50 – 22:00	22:00 – 22:30	08:00 – 22:00	22:00

16 August 2016

AMENDMENTS ARE MARKED AS FOLLOWS:

INSERTIONS ARE UNDERLINED

DELETIONS ARE CROSSED OUT

[...]

9 Admitted Products, Combinations and Combination Transactions Option-Share

[...]

9.4 Block Trade Service

Eurex Clearing AG has admitted to the Block Trade Service the following products and Combinations Transactions Option-Share. Such admission is independent from the respective transactions being entered into the Eurex System within the scope of an options strategy, an options volatility strategy or as a Combination Transaction Option-Share, consisting of Off-Book options transactions and Off-Book securities transactions.

9.4.1 Admitted Products:

Product	Minimum number of tradable contracts
Stock Index Futures	

[...]

Futures Contracts on the MSCI AC Asia Pacific ex Japan Index (FMAS)	50
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<u>Futures Contracts on the MSCI ACWI Index (NTR, EUR) (FMAE)</u>	<u>1</u>
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<u>Futures_Contracts on the MSCI ACWI Index (NTR, USD) (FMAC)</u>	1
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**Conditions for Utilization of the Eurex Trade Entry Services
(General Conditions for Participation)**

Product	Minimum number of tradable contracts
Stock Index Futures	
Futures Contracts on the MSCI ACWI ex USA Index (FMXU)	1
Futures-Contracts on the MSCI Australia Index (FMAU)	1
<u>Futures Contracts on the MSCI Canada (GTR, USD) (FMGC)</u>	<u>1</u>
<u>Futures Contracts on the MSCI Canada (NTR, USD) (FMCA)</u>	<u>1</u>
[...]	
Futures Contracts on the MSCI Emerging Markets Latin America Index (FMEL)	20
<u>Futures Contracts on the MSCI EMU Index (GTR, EUR) (FMGM)</u>	<u>1</u>
<u>Futures Contracts on the MSCI EMU Index (NTR, EUR) (FMMU)</u>	<u>1</u>
<u>Futures Contracts on the MSCI Europe Index (GTR, EUR) (FMGE)</u>	<u>1</u>
<u>Futures Contracts on the MSCI Europe Index (GTR, USD) (FMGU)</u>	<u>1</u>
[...]	
Futures Contracts on the MSCI Europe ex Switzerland Index (FMXS)	1
<u>Futures Contracts on the MSCI France (GTR, EUR) (FMGF)</u>	<u>1</u>
<u>Futures Contracts on the MSCI France (NTR, EUR) (FMFR)</u>	<u>1</u>
[...]	

**Conditions for Utilization of the Eurex Trade Entry Services
(General Conditions for Participation)**

Product	Minimum number of tradable contracts
Stock Index Futures	
Futures-Contracts on the MSCI New Zealand Index (FMNZ)	1
<u>Futures Contracts on the MSCI North America (GTR, USD) (FMGA)</u>	<u>1</u>
<u>Futures Contracts on the MSCI North America (NTR, USD) (FMNA)</u>	<u>1</u>
[...]	
Futures Contracts on the MSCI Russia Index (Price) (FMRU)	1
[...]	
Futures-Contracts on the MSCI United Arab Emirates Index (FMUA)	1
Futures-Contracts on the MSCI United Kingdom Index <u>(NTR, GBP) (FMUK)</u>	1
<u>Futures Contracts on the MSCI United Kingdom (NTR, USD) (FMDK)</u>	<u>1</u>
<u>Futures Contracts on the MSCI USA (GTR, USD) (FMGS)</u>	<u>1</u>
Futures-Contracts on the MSCI USA Index <u>(NTR, USD) (FMUS)</u>	1
[...]	
Futures Contracts on the MSCI USA Value Weighted Index (FMUV)	1
<u>Futures Contracts on the MSCI World Index (GTR, EUR) (FMWE)</u>	<u>1</u>
<u>Futures Contracts on the MSCI World Index (GTR, USD) (FMWG)</u>	<u>1</u>
[...]	

[...]

9.6 Flexible Options and Flexible Futures Trade Service

Eurex Clearing AG has admitted the following products to the Flexible Options and Flexible Futures Trade Service. Eurex Clearing AG can in individual cases, depending on the type of settlement of the respective contracts suspend the admission to or limit the availability of these facilities for certain products.

[...]

II. Flexible Eurex Futures Contracts**Minimum number of contracts to be traded**

[...]

Futures Contracts on the MSCI AC Asia Pacific ex Japan Index (FMAS)	50
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<u>Futures Contracts on the MSCI ACWI Index (NTR, EUR) (FMAE)</u>	<u>1</u>
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Futures-Contracts on the MSCI ACWI Index (NTR, USD) (FMAC)	1
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Futures Contracts on the MSCI ACWI ex USA Index (FMXU)	1
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Futures-Kontrakte on the MSCI Australia Index (FMAU)	1
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<u>Futures Contracts on the MSCI Canada (GTR, USD) (FMGC)</u>	<u>1</u>
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<u>Futures Contracts on the MSCI Canada (NTR, USD) (FMCA)</u>	<u>1</u>
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[...]

Futures Contracts on the MSCI Emerging Markets Latin America Index (FMEL)	20
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<u>Futures Contracts on the MSCI EMU Index (GTR, EUR) (FMGM)</u>	<u>1</u>
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Futures Contracts on the MSCI EMU Index (NTR, EUR) (FMMU)	1
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**Conditions for Utilization of the Eurex Trade Entry Services
(General Conditions for Participation)****II. Flexible Eurex Futures Contracts****Minimum number of contracts to be traded**Futures Contracts on the MSCI Europe Index
(GTR, EUR) (FMGE)1Futures Contracts on the MSCI Europe Index
(GTR, USD) (FMGU)1

[...]

Futures Contracts on the MSCI Europe ex
Switzerland Index (FMXS)

1

Futures Contracts on the MSCI France (GTR,
EUR) (FMGF)1Futures Contracts on the MSCI France (NTR,
EUR) (FMFR)1

[...]

Futures-Contracts on the MSCI New Zealand
Index (FMNZ)1Futures Contracts on the MSCI North America
(GTR, USD) (FMGA)1Futures Contracts on the MSCI North America
(NTR, USD) (FMNA)1

[...]

Futures Contracts on the MSCI Russia Index
(Price) (FMRU)

1

[...]

Futures-Contracts on the MSCI United Arab
Emirates Index (FMUA)

1

Futures-Contracts on the MSCI United Kingdom
Index (NTR, GBP) (FMUK)

1

Futures Contracts on the MSCI United Kingdom
(NTR, USD) (FMDK)1

II. Flexible Eurex Futures Contracts

Minimum number of contracts to be traded

Futures Contracts on the MSCI USA (GTR, USD)
(FMGS)

1

Futures-Contracts on the MSCI USA Index (NTR,
USD) (FMUS)

1

[...]

Futures Contracts on the MSCI World Index (GTR,
EUR) (FMWE)

1

Futures Contracts on the MSCI World Index (GTR,
USD) (FMWG)

1

[...]

Please return to:**Fax no.** +49-69-211-61 54 43**E mail:** Ralf.Huesmann@eurexchange.com

**Designated Market Maker Agreement for Futures on
MSCI Indices**

dated as of: _____

1. Eurex Frankfurt AG (“EFAG”) and Eurex Clearing AG (“ECAG”) and

_____ (“Participant”)

(Name of Participant/Member ID)

hereby enter into this Designated Market Maker Agreement (the “Agreement”) under the conditions outlined below and the Quote Obligations in paragraph 1 of this circular with respect to the following products:

Futures on	Currency	Index type	Eurex code	Please tick (√) the appropriate box
MSCI ACWI	EUR	NTR	FMAE	<input type="checkbox"/>
MSCI Canada	USD	GTR	FMGC	<input type="checkbox"/>
MSCI Canada	USD	NTR	FMCA	<input type="checkbox"/>
MSCI EMU	EUR	GTR	FMGM	<input type="checkbox"/>
MSCI Europe	EUR	GTR	FMGE	<input type="checkbox"/>
MSCI Europe	USD	GTR	FMGU	<input type="checkbox"/>
MSCI France	EUR	GTR	FMGF	<input type="checkbox"/>
MSCI France	EUR	NTR	FMFR	<input type="checkbox"/>
MSCI North America	USD	GTR	FMGA	<input type="checkbox"/>
MSCI North America	USD	NTR	FMNA	<input type="checkbox"/>
MSCI UK	USD	NTR	FMDK	<input type="checkbox"/>
MSCI USA	USD	GTR	FMGS	<input type="checkbox"/>
MSCI World	EUR	GTR	FMWE	<input type="checkbox"/>
MSCI World	USD	GTR	FMWG	<input type="checkbox"/>

for the period from **5 September** until **31 December 2016**.

2. The Participant will
 - a) Fulfil the Market-Making Obligations as set out by the Management Board of Eurex Deutschland and the Executive Board of Eurex Zürich AG (“Eurex Market-Making Obligations”) and published via Eurex circular.
 - b) Provide EFAG with the name of a manager, who has the authorisation and expertise necessary to fulfil the commitments required under the Eurex Market-Making Obligations.
 - c) Provide EFAG with the name of a manager who has the authorisation and expertise necessary to make decisions and act as coordinator for the Participant, who will be available for EFAG and ECAG with respect to this Agreement.
 - d) Inform EFAG in the event the Participant is or will be unable to fulfil the Eurex Market-Making Obligations without undue delay and at the latest within one business day.

3. ECAG will
 - a) Refund fifty (50) percent of all transaction fees on M-Accounts until 31 December 2016. The refund for the respective month will be calculated at the beginning of the subsequent month. No refunds will be made for contracts traded on A- or P-Accounts or if the Quote Obligations are not fulfilled.
 - b) Offer a revenue sharing per individual MSCI Futures as detailed in Eurex Clearing circular 147/15 (**DMM1**).

4. EFAG and ECAG shall, upon occurrence of one of the following events, be entitled to terminate this Agreement:
 - a) The Participant does not comply with the Eurex Market-Making Obligations for four consecutive months counted as of the date of this Agreement. Conformance of the Participant with the Eurex Market-Making Obligations shall be monitored by EFAG. EFAG will determine in its sole discretion whether the Participant has fulfilled the Eurex Market-Making Obligations.
 - b) The Participant does not comply with any other of its obligations stated under Number 2 above.

5. The Participant shall, upon occurrence of one of the following events, be entitled to terminate this Agreement:
 - a) A significant change in the Contract Specifications for Futures Contracts and Options Contracts at Eurex Deutschland and Eurex Zürich for the aforementioned products.
 - b) A significant change to the Eurex Market-Making Obligations.

6. The Participant and EFAG and ECAG shall severally be entitled to terminate this Agreement without giving any reason with one calendar month’s prior notice.

7. The Participant shall be notified of any changes to this Agreement and the Eurex Market-Making Obligations at least three (3) business days prior to the effective date thereof. The Participant accepts the amendments, provided a written objection is not filed with ECAG within three (3) business days after the publication. ECAG and EFAG reserve the right to terminate the contract in case of non-acceptance of the amendments.

SHOULD BE FILLED OUT BY THE PERSON DESIGNATED IN ACCORDANCE WITH PARAGRAPH 2. b)

Place, date

Name

Position

Phone

Fax

(Signature/Stamp of the company)

E-mail address

Please send the completed Agreement to the fax number indicated above.