



T7 Release 10.1

Derivatives Market

April 2022

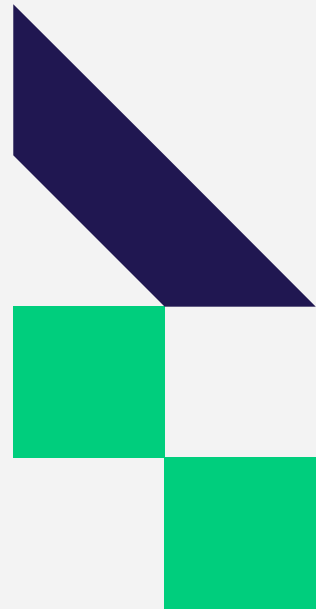


Agenda

- 1 Overview and Introduction
- 2 Next Generation ETD Contracts
- 3 Transaction Size Limits Enhancements including the introduction of Clearer TSLs
- 4 Simplified Variance Futures
- 5 Payload Encryption for FIX LF Interface
- 6 Further Changes and Enhancements



1 Overview & Introduction

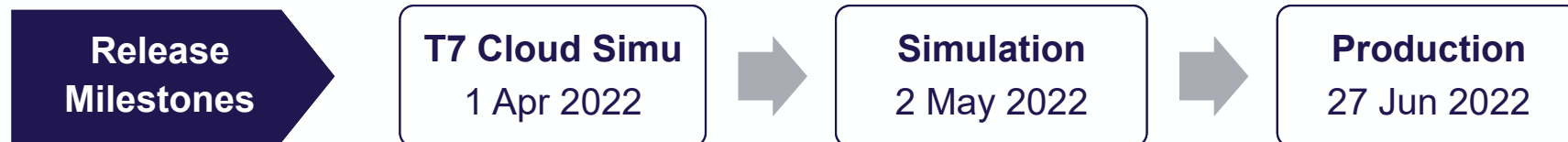
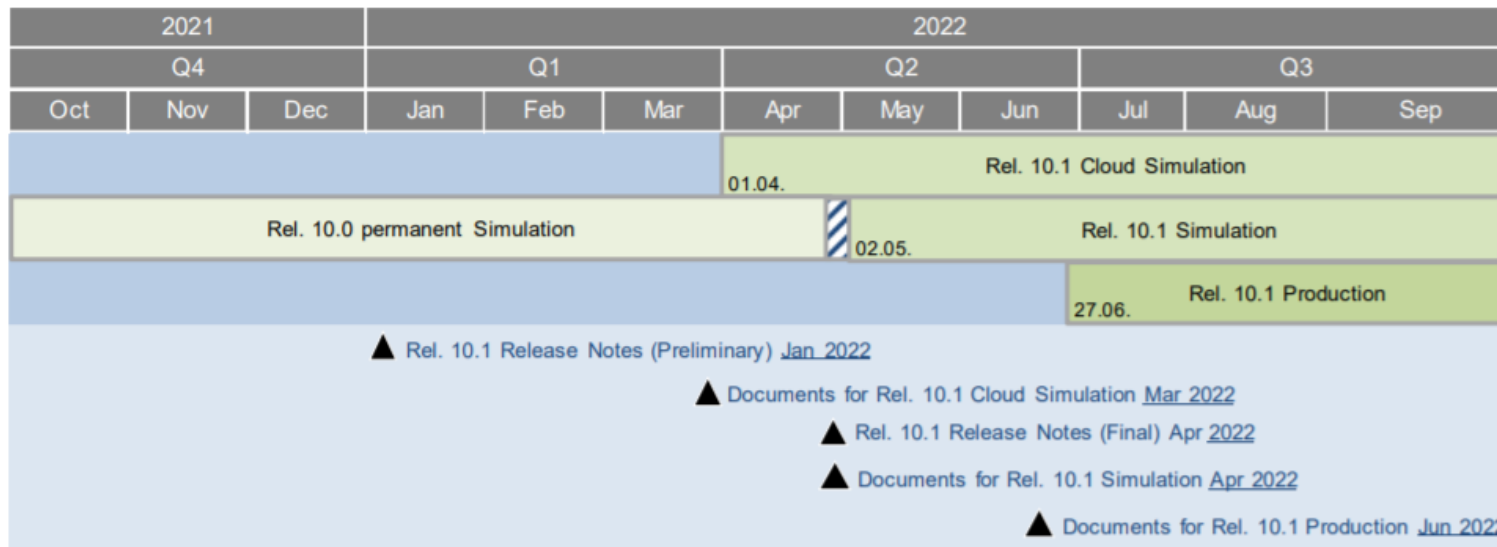


Overview of Eurex T7 Release 10.1

Main Features	Next Generation ETD Contracts
	Transaction Size Limits Enhancements including the introduction of Clearer TSLs
	Simplified Variance Futures
	Further Changes and Enhancements

Backwards compatibility for trading interfaces	YES
Backwards compatibility for market and reference data interfaces	NO

Introduction Schedule



Publication Schedule

T7 Release 10.1	Derivatives Markets	Cash Markets	Combined	Q1/2022			Q2/2022		
				Jan	Feb	Mar	Apr	May	Jun
T7 Release 10.1 – Release Notes	x	x		◆			●		
T7 Functional Reference			x				●		
T7 Functional and Interface Overview			x				●		
T7 Participant Simulation Guide			x				●		
T7 Cross System Traceability			x				●		
T7 Incident Handling Guide			x				●		
T7 Participant and User Maintenance Manual	x	x					●		
Contract Notes Description		x							●
T7 Known Limitations			x				■		●
T7 Trader, Admin and Clearer GUI – User Manual	x	x					■		●
T7 Trader, Admin and Clearer GUI – Installation Manual			x				●		
T7 Enhanced Trading Interface – Manual incl. XSD, XML Representation and Layouts			x			◆	■		●
T7 FIX LF – Manual incl. XML Representation and FIX Repository			x			◆	■		●
T7 Market-, Enhanced Order Book- and Reference Data Interfaces Manual incl. Fast Message Template, Repository & FIXML Schema Files			x			◆	■		●
T7 Extended Market Data Services – Manual incl. Fast Message Template and Underlying Ticker Data			x				■		●
Cash Market Instrument Reference Data Guide		x					●		
T7 XML Report Reference Manual			x				■		●
Common Report Engine User Guide			x				●		
Common Upload Engine User Guide			x				●		
Exchange Rules & Regulations		x							●
Market Models		x							●

- **Cloud Simulation** (identified by ◆) to be published in Jan/ Mar 2022
- **Simulation versions** (identified by ■) to be published in April 2022
- **Production versions** (identified by ●) to be published in April/June 2022
- All documents available on www.eurex.com under: *Support > Initiatives & Releases > T7 Releases > T7 Release 10.1*

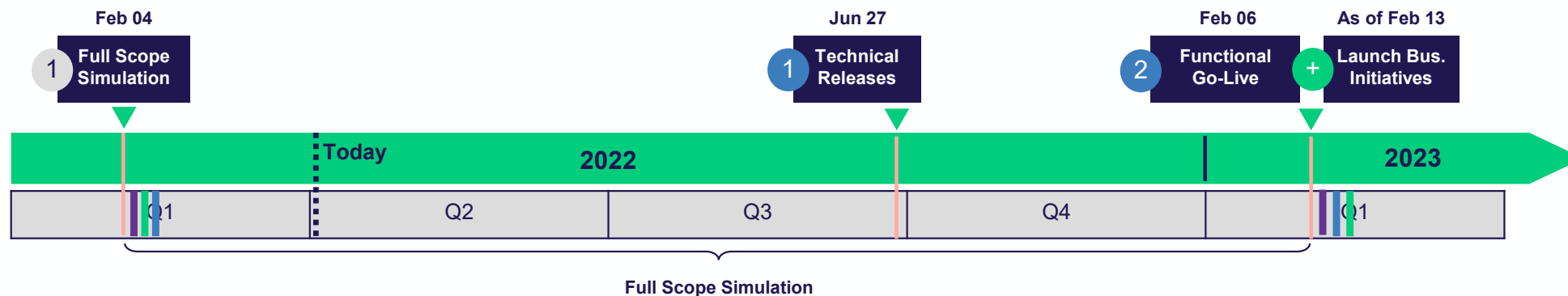


2 Next Generation ETD Contracts

Note: The activation of Next Gen contracts has been postponed until 06 February 2023.

Please find details regarding the amended rollout approach in [Eurex Circular 036/22](#).

Next Gen Contract Activation Timeline for Simu & Prod



Simulation

- 1 Activation of sub-monthly expiring contracts (T7 10.0, C7 8.1)
Since Feb 2022, following sub-monthly expiring contracts are supported
 - Integrated weekly expiring contacts in
 - stock options AXA, BAY, CSGN, NOA3
 - index options ODAX, OSMI
 - Bund options OGBL
 - Daily expiring contracts in SSF AXAP, BAYP, NO3P
 - Daily expiring contracts in MSCI Futures FMEA, FMWN

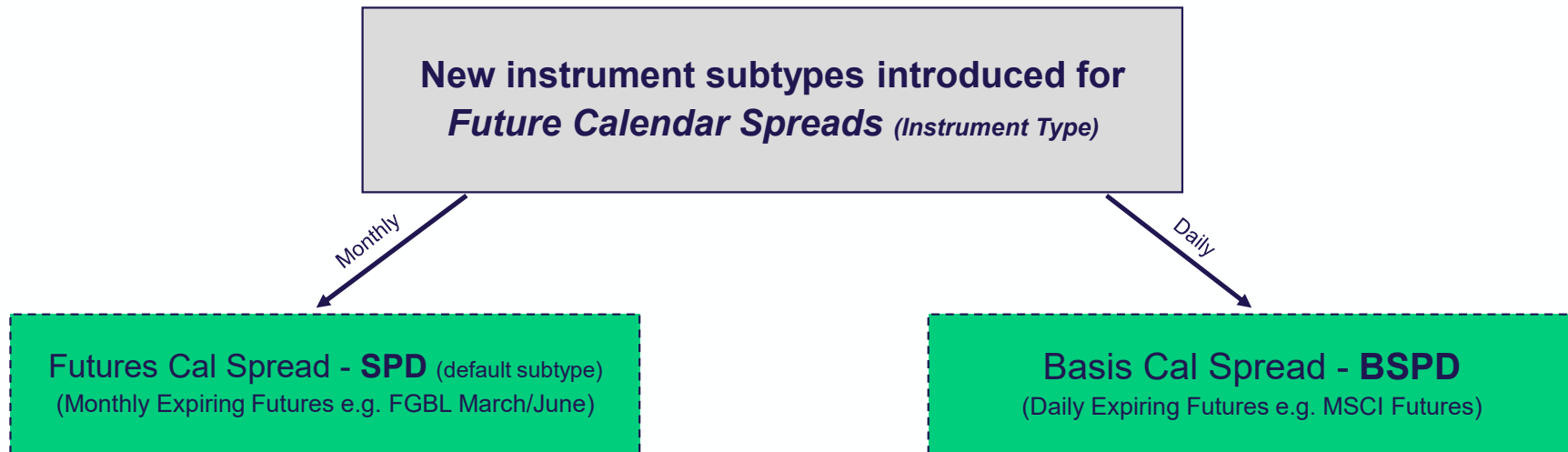
Additional sub-monthly contracts are planned to be activated in Oct / Nov 2022 during member simulation of year end releases.

EUREX

Production

- 1 **Technical Releases** (Jun 27): T7 10.1, C7 8.1, Prisma 11.1
- 2 **Functional Go-Live in Feb 2023**
Feb 06: YYYYMMDD logic becomes mandatory for all market participants for all ETD contracts
Launch of Business Initiatives
 - **As of Feb 13: Integration weekly expiring contacts**
 - **Feb 20: MSCI Basis Trading (Market-on-close)**
 - **Feb 27: Volatility strategies Equity Options (Daily expiring SSF)**

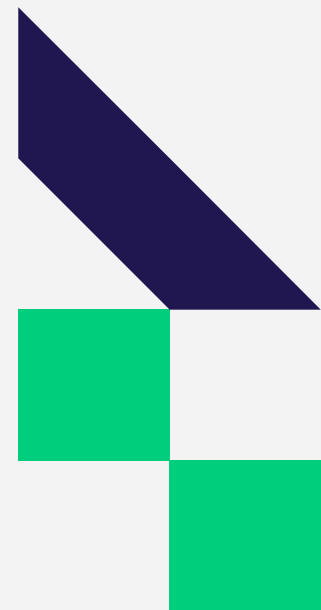
New Instrument Subtypes for Future Calendar Spreads



- Subtypes will be assigned by the exchange (participants cannot modify) & sent in T7 messages to users
- New subtypes will be available via ETI, FIX LF, RDI, GUI & XML reports
- New subtypes will be used for fee differentiation reg. leg trades in basis spreads (similar concept to fee differentiation applied in packs & bundles/STIRs)



3 TSL enhancements incl. introduction of Clearer TSLs



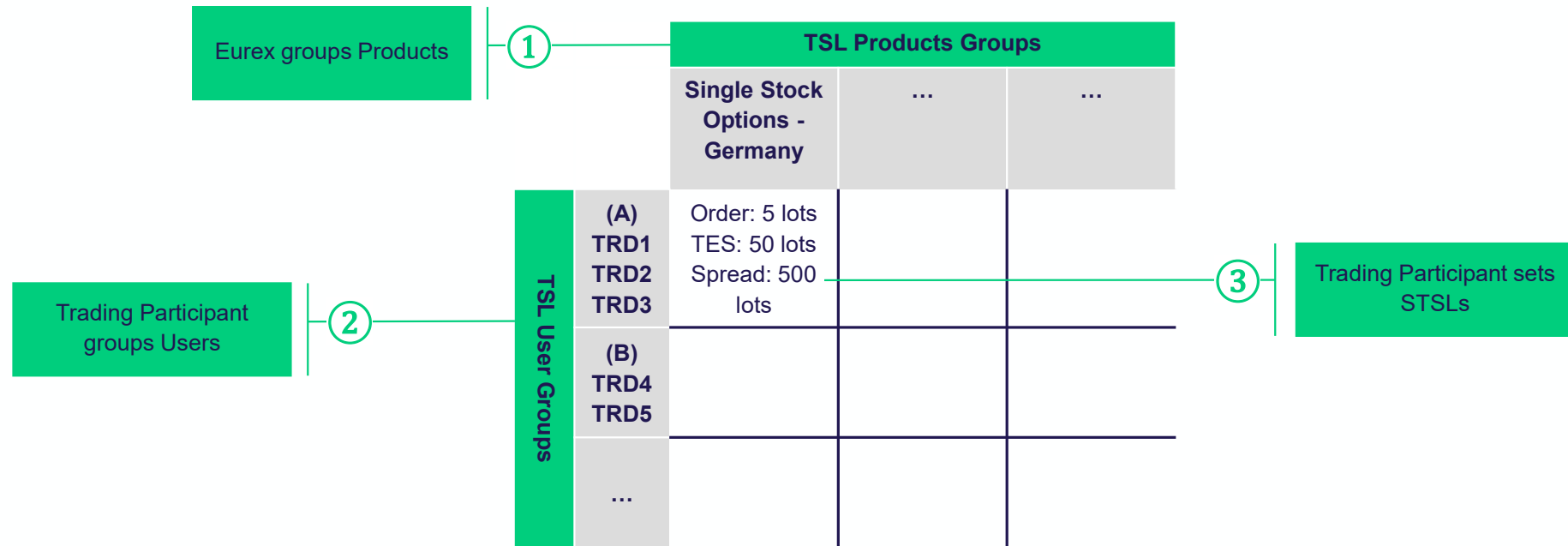
Comparison of TSL Functionality Current vs. Future

With T7 10.1, Eurex will amend the Transaction Size Limits (TSL) functionality

- The maintenance of TSLs will be enhanced
- Clearing Members can define TSLs for their clearing clients

	Current (T7 10.0)	Future (T7 10.1)
Trading Participant	TSLs per Type / User / Product	STSLs per Type / Product Group / User Group ETSLs per Type / Product / User
Clearing Member	None	STSLs per Type / Product Group / Clearing Client
Eurex	TSL per Legal Product Group	STSLs per Type / Product Group

Trading Participant Defining Standard TSLs (STSLs)



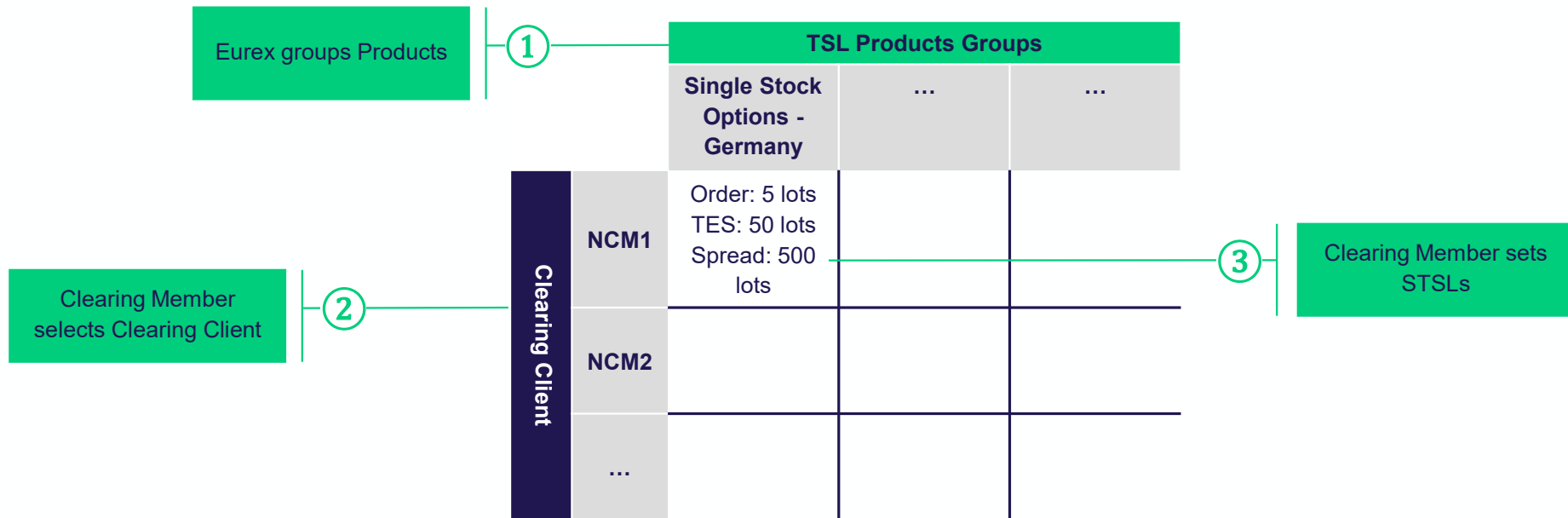
- ① Eurex groups products into **TSL Product Groups** (i.e. Single Stock Options with German Underlyings)
- ② Trading Participants can group users into **TSL User Groups**
- ③ Trading Participants can configure STSLs per Product Group and User Group

Trading Participant Defining Exception ETSLs

	#	Products	User	Order Limit	TES Limit	Spread Limit
Trading Participant defines exceptions	1	DAI	TRD001	10	100	1,000
	...					
	n					

- Trading Participants can use ETSLs to overwrite (up- or downwards) STSLs for specific users, product & TSL type (orderbook, TES, and Futures Spreads)
- Total number of ETSLs is limited per Trading Participant (max ETSL nr per Trading Participant equals nr of users enabled for trading multiplied by 100)
- Trading Participants can spend ETSLs as they see fit, i.e. a user might have 200 ETSLs while another has none
- ETSL cannot be used to circumvent limits defined by Clearing Members or Eurex

Clearing Member Defining STSLs



① Eurex groups products into TSL Product Groups

② Clearing Member selects **Clearing Clients**

③ Clearing Member configures **STSLs**

- Clearing Clients will not be able to exceed any limits defined by Clearing Member
- If STSLs are not defined (i.e. blank), then NO limit applies & any size is acceptable. If STSLs are set to zero, any order/quote/TES trade will be rejected

Impact on interfaces



Reports

- The reports RD110 User Profile Maintenance and RD115 User Profile Status will be enhanced
- New reports will be created for Trading Participants and Clearing Member to capture all their limit settings
- A temporary XML report RD260 TSL Migration Status will be offered during the migration phase



Reference Data

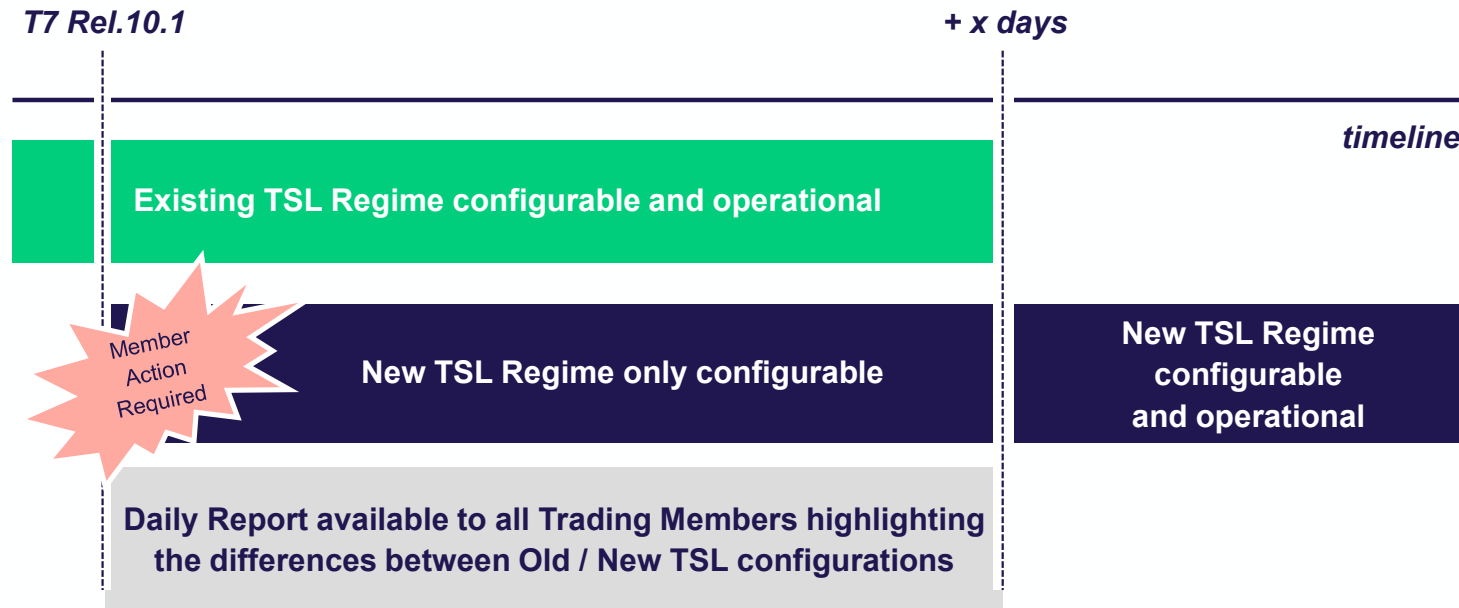
- Eurex will publish the TSL Product Groups via its Reference Data Interface and via its website



GUI

- Trading Participants will be able to configure User TSL Groups, STSLs, and ETSLs via the T7 Admin GUI. It will be possible to configure either manually or via import/export functionality in the T7 Admin GUI
- The Clearing Members will be able to configure STSLs either manually or via import/export functionality via the T7 Clearer GUI

Migration approach*



*Displayed migration approach refers to production. Please keep in mind that the same migration steps will apply in simulation

Checklist TSL

Trading Participants

- Old TSL assignments (i.e. TSLs per product & user) will no longer work, therefore, you will need to update your TSLs based on the new logic introduced with T7 10.1
- The new TSL logic applies the concepts of Standard TSLs (STSLs) and Exceptional TSLs (ETSLs)
 - Within STSLs, you may define limits per TSL User Group (defined by you), per TSL Product Group (defined by Eurex), and per TSL Type (orderbook, TES, Futures Spread)
 - Within ETSLs, you may define a limited number of exceptions per user, product, and TSL type (exceptions will overwrite STSLs)
- TSL maintenance must be performed via the T7 Admin GUI
- Leaving TSL limits blank is acceptable and implies that orders, quotes, and TES trades are only validated against Eurex limits and Clearing Member limits

Clearing Members

- Able to define STSLs for each clearing client based on product group and TSL Type (orderbook, TES, Futures Spreads)
- TSL maintenance must be performed via the T7 Clearer GUI
- Leaving limits blank is acceptable and implies that orders, quotes, and TES trades are only validated against Eurex limits and Trading Participant limits



4 Simplified Variance Futures



New Variance Futures Concept

- Variance Futures will be simplified by **removing preliminary trade notifications**

	Today	T7 Release 10.1
Immediate After Executing a Variance Future	Preliminary trade notification with price in clearing notation	Final trade notification with price in clearing notation
End of Trading Day	Final trade notification with price in clearing notation	

Impact on Interfaces



Reports

- Changes to following XML reports will be introduced:
 - TA114 Variance Futures Parameter
 - TE545 Daily TES Maintenance
 - TE810 T7 Daily Trade Confirmation



Trader GUI

- Display of trade prices in clearing notation
- Display of market underlying price for own trades
- Enhancement of TES bulk upload

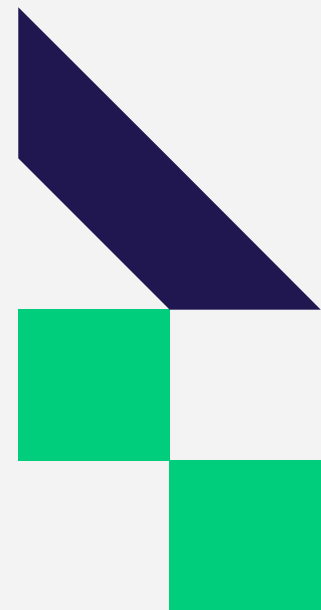


ETI / FIX LF

- Provision of market underlying or customer underlying price via various messages



5 Payload Encryption for FIX LF Interface



Payload Encryption for FIX LF Interface

An additional FIX LF connectivity option via an additional port will be provided.



Key Features

- The FIX LF connectivity option will help customers to implement their security requirements by providing transport layer security (payload encryption) for non-fully controlled lines.
- The payload encryption will be implemented via OpenSSL using TLS 1.2 - with restricted cipher-suites.
- Further details are contained in the Network Access Guide and FIX LF Manual *under xetra.com > Technology > T7 Trading architecture > System documentation > Release 10.1*



6 Further Changes and Enhancements



Further Changes and Enhancements (1/2)

Change of Usage of Field TradeDate in ETI TES Status Nroadcast	<ul style="list-style-type: none"> ▪ Usage modification of <i>TradeDate</i> from mandatory to optional
Weekend Connectivity	<ul style="list-style-type: none"> ▪ Connectivity testing over weekends will be possible (no guarantee for availability at all times during weekends) ▪ Members can send http request to IP address / port of the T7 gateway
Preliminary TRF Parameters file available on CRE & website	<ul style="list-style-type: none"> ▪ Preliminary TRF Parameters file will be available on CRE & Eurex website ▪ File naming conventions <ul style="list-style-type: none"> ▪ website: <env>TRF_PARAM_PREL_<YYYYMMDD>.CSV ▪ CRE: <env>TRF_PARAM_PREL_<YYYYMMDD>.CSV_ZIP
Modification of TE600 & TE610 Reports	<ul style="list-style-type: none"> ▪ TE600 & TE610 will be modified to improve data display for TES Aggregation
Change of Price Field Format in Reports	<ul style="list-style-type: none"> ▪ The format of several price fields in various XML reports will change ▪ Fields will change their format from <i>numeric signed 9, 5</i> to <i>numeric signed 11, 5</i>

Further Changes and Enhancements (2/2)

Modification of XML Reports TR160 & TR161	<ul style="list-style-type: none">▪ Data presentation for maintenance of long code/short code combinations will be improved in TR160 Identifier Mapping Error and TR161 Identifier Mapping Status
New XML Reports TR167 & TR168	<ul style="list-style-type: none">▪ New reports will provide aggregated daily overview over all long code/short code combinations with non-unique or inconsistent short code assignments
Decommission of TR165	<ul style="list-style-type: none">▪ The TR165 DMA Error XML Report will be decommissioned.
Decommission of TT137	<ul style="list-style-type: none">▪ The temporary XML report TT137 (Temporary Extended Pre-Trade Risk Limit Consumption Report) will be removed.



Thank you!

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If you have any further questions please contact your Key Account Manager or send an e-mail to client.services@eurexchange.com



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