EUREX Architects of trusted markets

T7 Release 13.0

Derivatives Market
Focus call

12 September 2024

Agenda

1 Overview and Introduction

2 Enhanced Drop Copy Service

3 BTRF Calendar Roll and Optional Early Termination

4 Short Code and Algo ID solution 2.0

5 ISV and Software Registration Process via Member Section

6 Further Changes & Enhancements

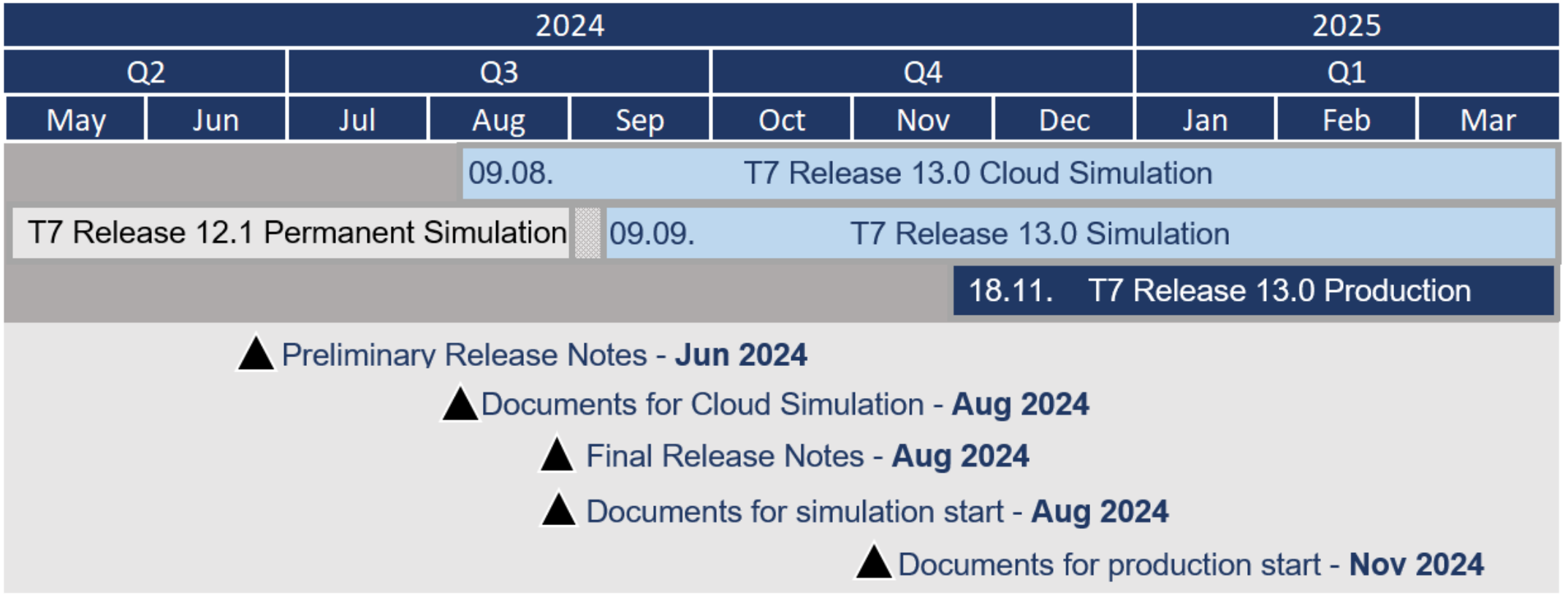
1 Overview and Introduction

Overview of Eurex T7 Release 13.0

Main Features	Enhanced Drop Copy Service
	BTRF Calendar Roll and Optional Early Termination
	ISV and Software Registration Process via Member Section
Reg. Feature	Enhancements of the Short Code and Algo ID Solution

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

Introduction Schedule T7 Release 13.0



Release Milestones

T7 Cloud Simu
9 Aug 2024

Simulation
9 Sept 2024

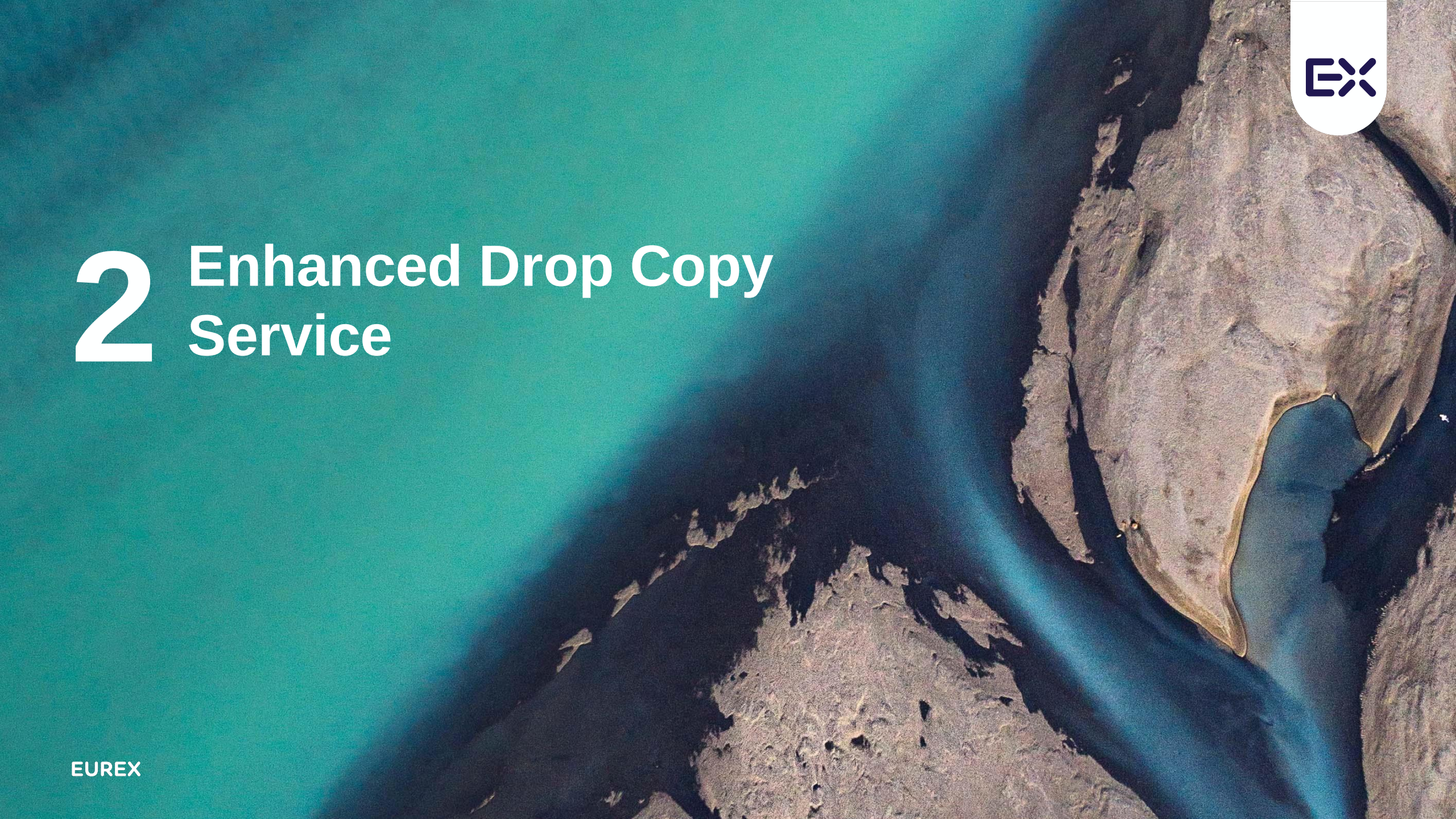
Production
18 Nov 2024

Publication Schedule T7 Release 13.0

T7 Release 13.0	Derivatives Markets	Cash Markets	Combined	2024 17.06.	07.08.	26.08.	06.09.	04.11.	15.11.
Preliminary Release Notes	x	x		v1					
Enhanced Trading Interfaces Manual, incl. XSD, XML Representation and Layouts			x		v1	v2		v3	
FIX LF Manual, incl. XSD, XML Representation and Layouts			x		v1	v2		v3	
Market-, Enhanced Order Book- and Reference Data Interfaces Manual incl. XML Fast Templates & FIXML Schema Files			x		v1	v2		v3	
Trader, Admin and Clearer GUI – User Manual	x	x			v1	v2		v3	
Final Release Notes	x	x				v1			
Extended Market Data Services Manual & Underlying Ticker Data Manual incl. XML Fast Templates			x			v1		v2	
XML Report Reference Manual, Modification Notes & XML Schema files			x			v1		v2	
Functional Reference			x			v1			
Functional and Interface Overview			x			v1			
Trader, Admin and Clearer GUI – Installation Manual			x			v1			
Participant and User Maintenance Manual	x	x				v1			
Cross System Traceability			x			v1			
Incident Handling Guide			x			v1			
Participant Simulation Guide			x			v1			
T7 Known Limitations for Simulation			x				v1		
Cash Market Instrument Reference Data Guide		x				v1			
Exchange Rules & Regulations		x						v1	v1
Market Models		x						v1	
T7 Known Limitations for Production			x						v1

- **Version 1**
- **Version 2 (optional)**
- **Version 3 (optional)**
- All documents are available on www.eurex.com under: *Support > Initiatives & Releases > T7 Releases > T7 Release 13.0*

2 Enhanced Drop Copy Service



EUREX

Enhanced Drop Copy Service

New T7 Risk Management & Reconciliation Service

Motivation

Provide order information to the trading participants and their clearers via new **Enhanced Drop Copy** interface

Complete Overview

Trading participants can facilitate measures to obtain a **complete overview of own order book**

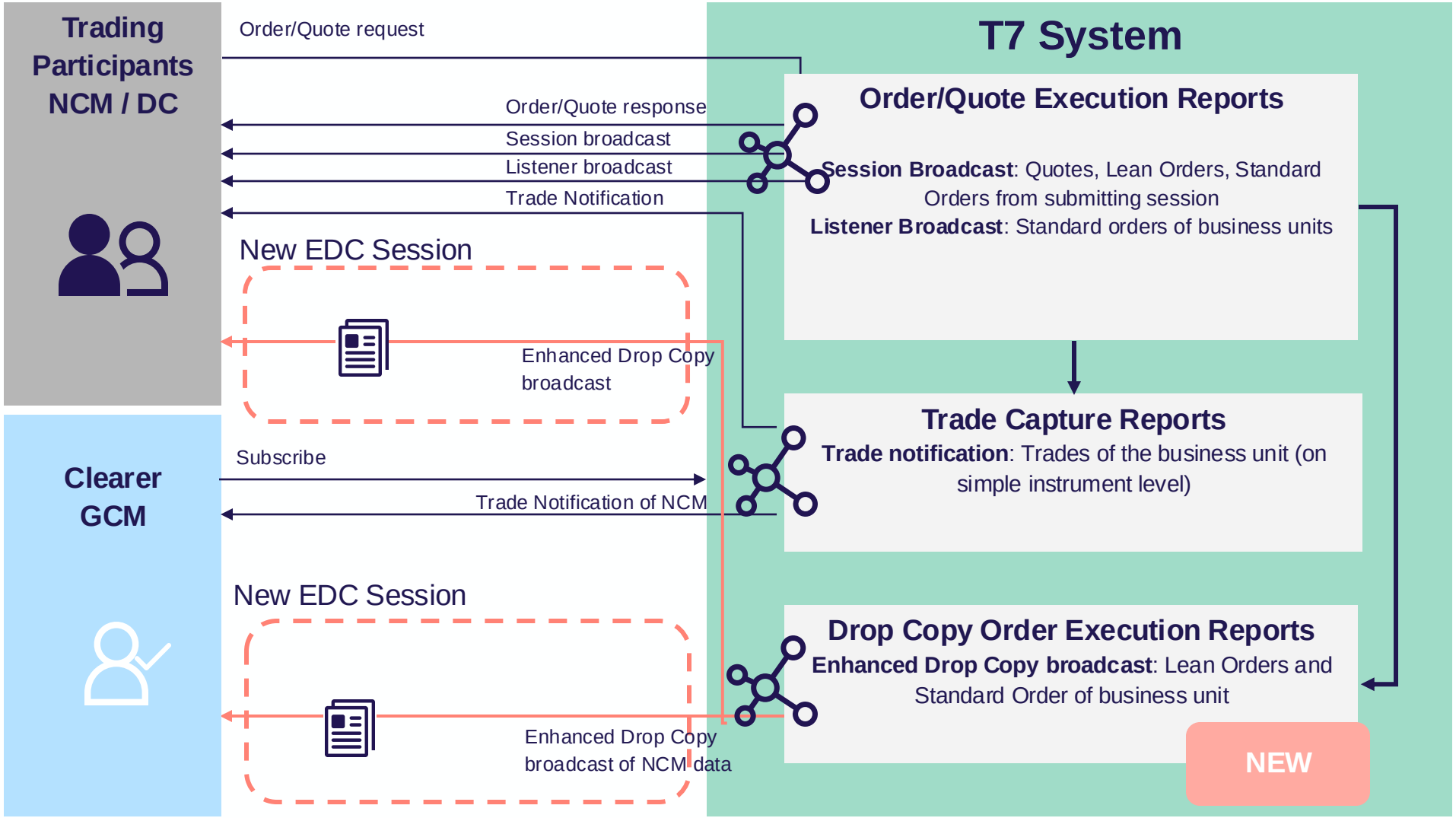
- Use case: Comprehensive view of all order activities impacting the order book. Including lean orders submitted via different trading

Improved Risk Monitoring

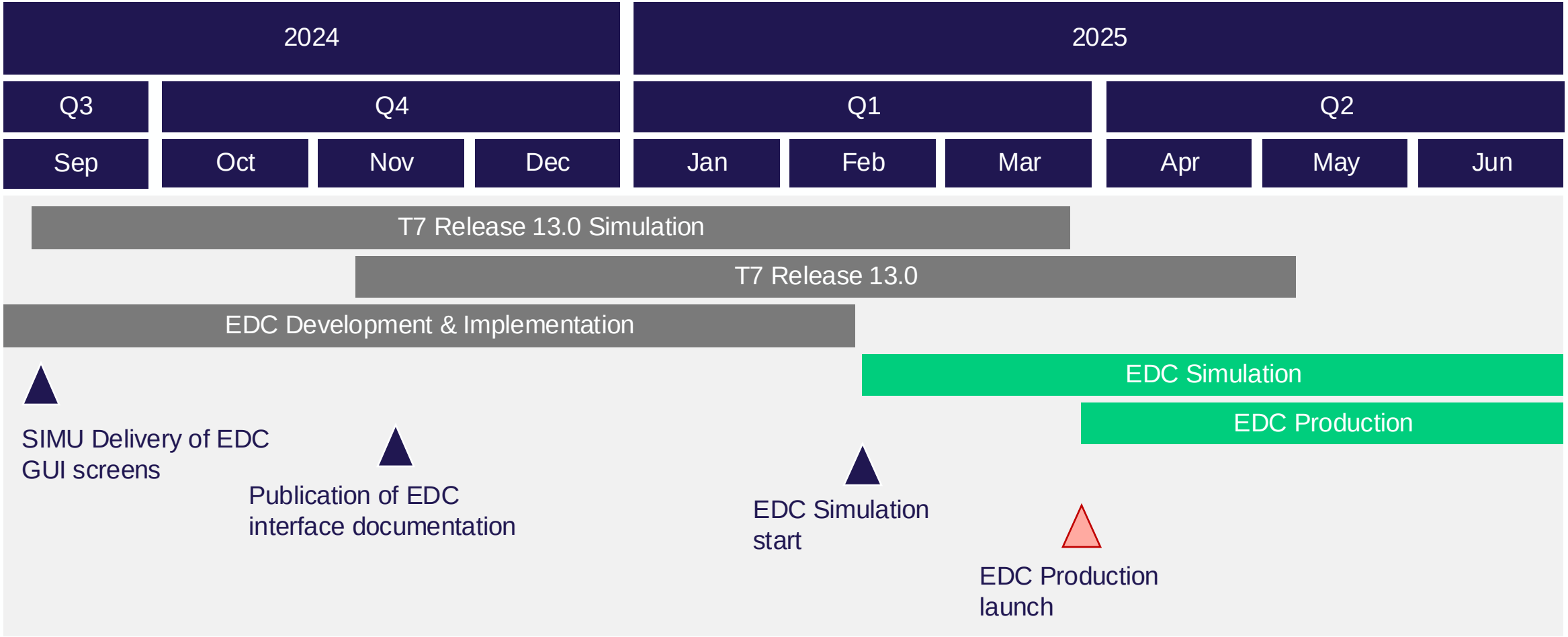
Clearing members can improve risk monitoring by **receiving order information of their NCMs**

- Use case: Monitor the activity of DC market participants and understand whether there is a technical issue on their side (e.g.: an algo malfunctioning).

Enhanced Drop Copy Workflow



Introduction Schedule Enhanced Drop Copy Service



3 BTRF Calendar Roll and Optional Early Termination

BTRF Calendar Roll and Optional Early Termination

Optional Early Termination

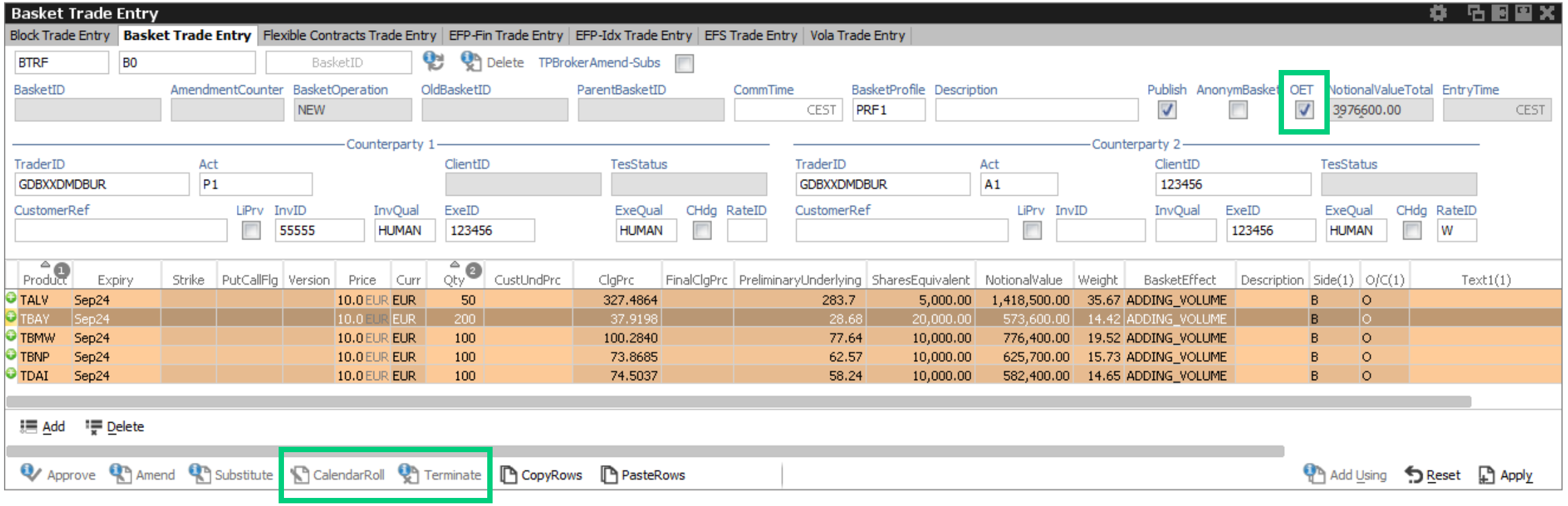
- BTRF baskets will be enhanced with an OET flag, which can be applied on Basket creation. A subsequent modification is not possible.
- T7 system will be enhanced by a new basket operation ‘Terminate’ to close a Basket trade where OET flag was set.
- Existing baskets will have the OET flag set to “false”.
- New basket operations ‘Terminate’ will be available via GUI and ETI.

BTRF Calendar Roll

- New basket operation ‘Calendar Roll’ will be introduced. ‘Calendar Roll’ can be performed on existing Basket Trades.
- The operation combines two operations in one, unwinding an existing basket and simultaneously opening a new basket with a later expiry.
- The new basket in the later expiry will get a new Basket ID assigned to it by which it will be linked to the original basket by a new field Parent Basket ID.
- New basket operations ‘Calendar Roll’ will be available via GUI and ETI.

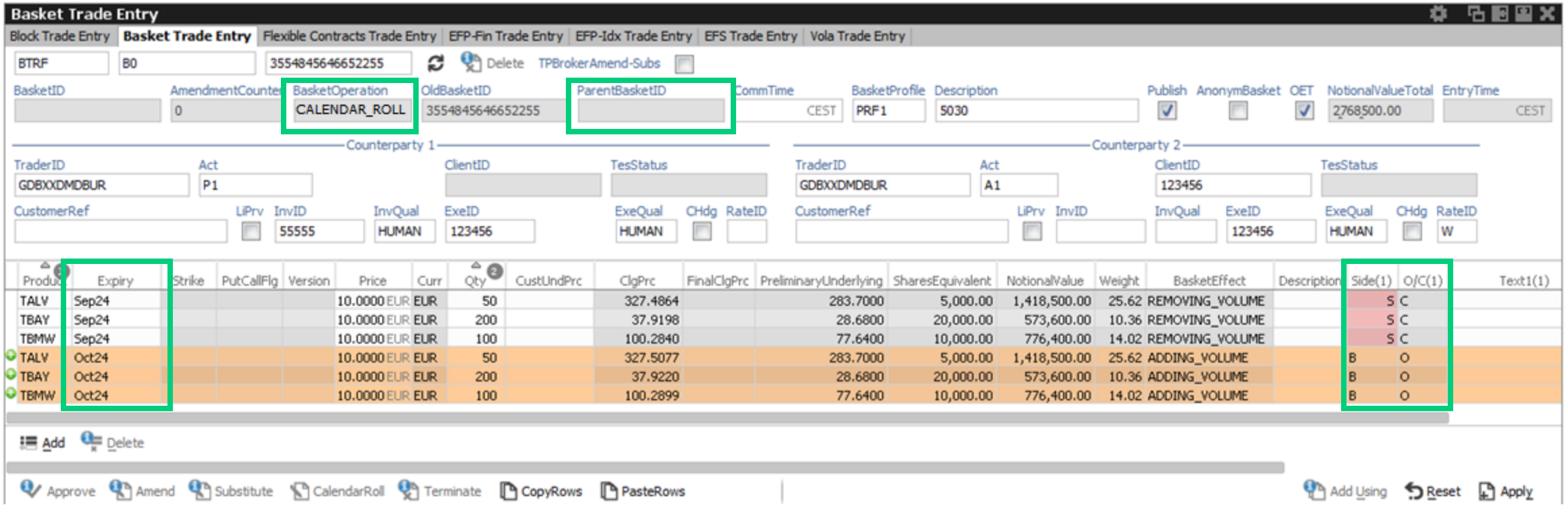
Basket Trade Entry OET Flag

- New features on GUI screens for Basket Trade Entry.
- OET flag can be set on Basket Trade creation.
- New Basket Trade operations ‘Calendar Roll’ and ‘Terminate’.



BTRF Calendar Roll

- New screen for BTRF Calendar Roll.
- Automatically loads existing positions and copies positions to a later expiry.
- Simultaneously closing the old positions in shorter dated expiry and opening new positions in later expiry at the same time.



4 Enhancements of the Short Code and Algo ID Solution 2.0

Short Code and Algo ID solution 2.0

Upload functionality

- The file format (fields) of the SC & Algo ID upload files will change.
- The file name will no longer include the trading day but the calendar day of the upload day (incl. weekends).
- eForm enhancements with new values; TR report download option; TR160/162 report display & error correction functionality.

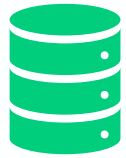
Data processing

- The preliminary file content validations will no longer lead to rejections of the upload file on CUE level.
- The data submitted will be processed in sequence, first records received will be processed first and subsequent records will be processed using the regular logic.
- The FIFO logic allows for intraday processing of data and the provision of intraday reports.
- The new correction functionality is the basis to close gaps in the reporting where SCs were not registered until T+1 EOB.

Short Code and Algo ID solution 2.0

Data feedback

- Intraday TR reports will be provided, in addition to the EoB reports.
- New TR169 report will be introduced.
- The structure of current TR reports will change to reflect the intraday data processing.

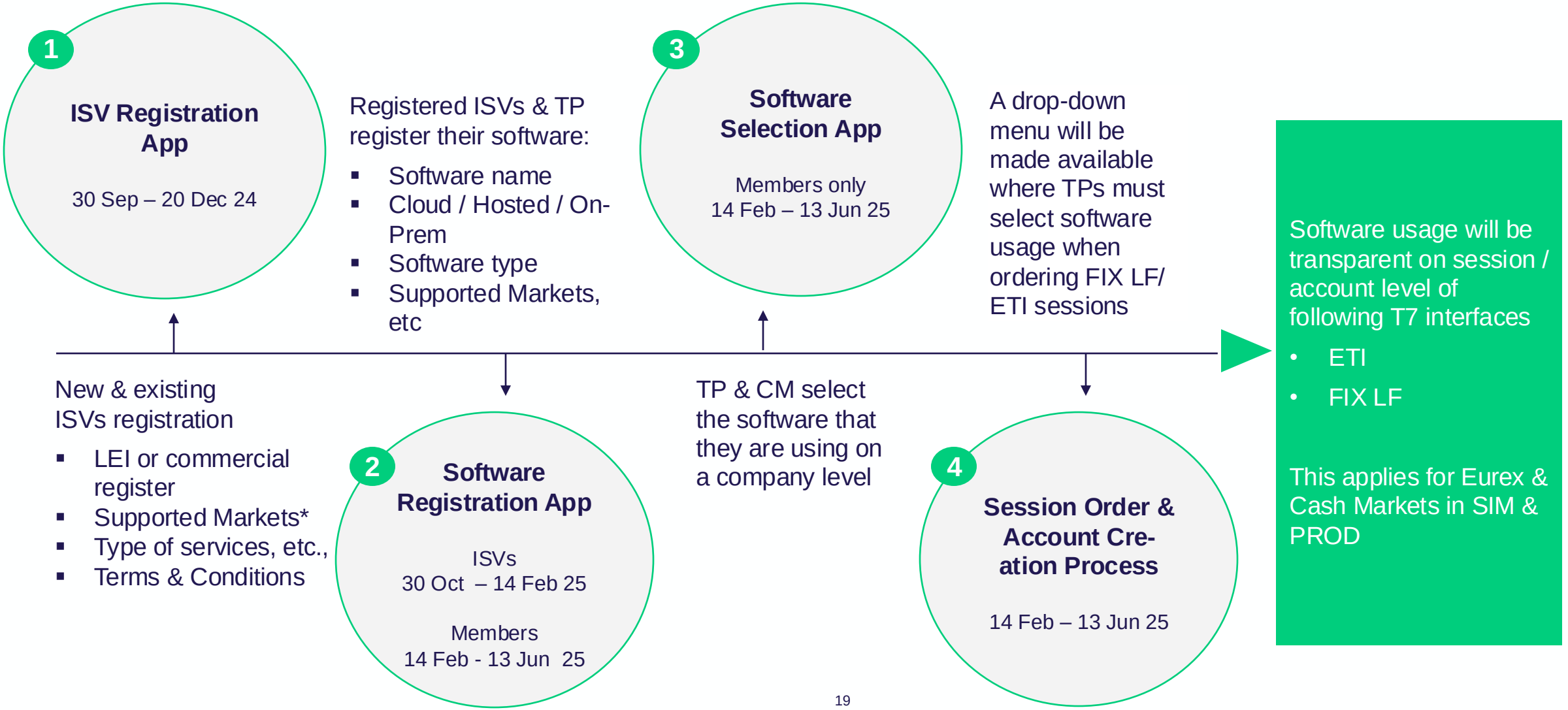


Historical data clean-up

- The new correction functionality will be used to enable a historical correction wave to close reporting gaps that occured in the past.
- The historical correction exercise will start in February 2025 and must be completed until February 2026.
- Reporting data starting from February 2020 will be analyzed and gaps must be closed using the new correction functionality.
- New TR170 and TR171 reports will provide each exchange participant with the data sets that need to be corrected during the historical correction phase.

5 ISV and Software Registration Process via Member Section

Envisaged Solution



EUREX

*Supported markets for ISV Registration and Software Registration apps are ECAG, EFAG, EXR, Cash Market, and EEX/ECC

6 Further Changes & Enhancements

NOVS activation for Orderbook trading

NOVS in Orderbook

- Eurex expanded delta-neutral trading with **Non-Standard Option Volatility Strategies (NOVS)** in T7 Release 12.1. Unlike pre-defined OVS templates, NOVS allows creation of customized options strategies beyond OVS templates hedged with a futures leg to achieve delta neutrality.
- After the launch of Release 13.0, **Eurex will activate NOVS also for Orderbook** trading.

- Key features of NOVS
  - Options strategy design defined by trader (and not referring to strategy templates)
  - Maximum number of options legs: 6 (identical to NOS)
  - Additional futures leg to achieve delta neutrality (similar to OVS)
  - Individual options leg ratio compliant with NOVS options leg minimum and maximum quantity (replace options multiplier)
  - Minimum / maximum NOVS leg quantity: 100 / 1000 (similar to minimum and maximum values of options multiplier in OVS)
  - Pricing and matching of NOVS is based on NOS part embedded in NOVS which might result to very high overall strategy prices (compared to OVS) due to high NOVS leg ratios
  - Freely selectable futures leg ratio representing the delta of the embedded NOS part (similar to OVS)
  - Futures leg ratio validation (delta validation) for internal consistency check based on theoretical delta of options part

Further Changes and Enhancements (1/3)

Fee Identification Code Enhancement

- Currently, the fee sub-product qualifier can only be applied for instrument subtypes. Thus, it cannot be applied to all complex instruments.
- Fee code concept will be enhanced by allowing fee rebates on complex instruments w/o instrument subtypes.
- New valid value ‘V’ is added to the Fee Sub Product Qualifier for trades in physically settled single stock futures as underlying trades resulting from OVS or NOVS trades.

BTRF Basket: Allow amendment by any Third Party

- Currently, only initiating counterparties or the broker can amend an existing basket trade.
- With T7 Release 13.0, the amendments or substitutions can be triggered by any third party.
- The counterparties (Buyer and Seller) cannot be changed and will have to approve any basket amendments.

Improved TES EFP-Idx Trade Entry view in T7 Trader GUI

- T7 Trader GUI will be improved to support the entry with additionally fields and information required for EFP transactions via context information.

Higher max leg ratios for Non-Standard Options Volatility Strategies

- With T7 Release 13.0, it will be possible to define maximum leg ratios NOVS up to a value of 9999.

Further Changes and Enhancements (2/3)

Usage of TLS 1.3 for ETI LF and FIX LF

- Due to improved security features, an upgrade to Transport Layer Security (TLS) version 1.3 is highly recommended for all participants' ETI LF and FIX LF gateway connections.
- At a later point in time after T7 Release 13.0 introduction, TLS version 1.2 will no longer be supported, and version 1.3 will become mandatory.

RDF files available on the Common Report Engine (CRE) on Saturdays

- With T7 Release 13.0, the RDF files for Monday (respectively the next business day after the weekend) will be created and made available on the Common Report Engine on Saturday, in addition to the creation of the file on Sunday evening/Monday morning.

SenderCompID in EMDI packetHeader will be extended

- The size of the SenderCompID in the EMDI packetHeader will be increased from one to two bytes to extend the supported number range.

MiFID field for Risk Reduction made available for optional use

- With T7 Release 13.0, the existing MiFID field for Risk Reduction will be made available for optional use in order entry, CLIP and TES requests.

Further Changes and Enhancements (3/3)

Pre-Trade Risk Limit consumption of options with decimals

- The Pre-Trade Risk Limit (PTRL) consumption of options will no longer be displayed as integers but will have at least two decimals. Fields such as NetPosition, OpenShort, and OpenLong in the ETI or FIX interfaces or in GUI views will display decimals for options.

Market Maker Protection: Quotes inactivation or deletion

- The participants will be able to choose between two different types of consequences of a Market Maker Protection event. It will be possible to choose between either an inactivation of quotes only, or an inactivation followed by an immediate deletion of the quotes.

Dissemination of TES trades statistics also via EMDI and EOBI

The number of buyers and sellers in TES trades, i.e., the number of deal sides in TES trades, will be disseminated via EMDI and EOBI, as it is currently disseminated via T7 Trader GUI in the TES Time & Sales view.

Questions / Answers

If you have any further questions,
please send an e-mail to
client.services@eurex.com

Thank you!
Eurex Frankfurt AG
Mergenthalerallee 61
65760 Eschborn

Disclaimer

© Eurex 2024

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 also 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/direct-market-access-from-the-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 and 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.