

Eurex Clearing AG
ECAG Rule Certification 008-24
February 09, 2024

1. The text of the proposed amendments to the Price List (“Price List”) of Eurex Clearing is appended as Attachment A. Any additions are underlined and any deletions are struck through.
2. The date of intended implementation is March 11, 2024.
3. Attached please find a certification that: (1) these amendments comply with the Commodity Exchange Act (the “Act”), and the Commission’s regulations thereunder; and (2) concurrent with the filing of this submission, Eurex Clearing is posting a copy of this filing to its website at: <https://www.eurex.com/ec-en/rules-regs/regulations/cftc-dco-filings>.
4. A concise explanation and analysis of the operation, purpose, and effect of the amended rule appears below.
5. There were no opposing views expressed regarding these amended rules.
6. Confidential treatment is not requested.

CONCISE EXPLANATION AND ANALYSIS OF THE OPERATION, PURPOSE, AND EFFECT OF THE PROPOSED RULE AND ITS COMPLIANCE WITH APPLICABLE PROVISIONS OF THE ACT, INCLUDING CORE PRINCIPLES AND THE COMMISSION’S REGULATIONS THEREUNDER

Eurex Clearing is proposing to amend the Clearing Conditions and the Price List to reflect the launch of Total Return Futures on MSCI World Index, MSCI EAFE and MSCI EM indices denominated in USD on Eurex Deutschland, as outlined in Eurex Clearing Circular 008/24, which is appended as Attachment A. Eurex Clearing will provide clearing services for these contracts. For avoidance of doubt, Eurex Clearing will clear these contracts outside the scope of its DCO license, which applies only to swaps.

Further information regarding the operation, purpose, and effect of the proposed amendments is discussed in Attachment A.

Eurex Clearing has identified the following derivatives clearing organization (“DCO”) Core Principles as potentially being relevant to the above amendments:

1. DCO Core Principle C (Participant and Product Eligibility): The proposed amendments will comply with DCO Core Principle C because the amendments list new contracts, which Eurex Clearing clears outside the scope of its DCO license, and all products cleared by Eurex Clearing under its DCO license will continue to be subject to appropriate standards in compliance with this Core Principle.

CERTIFICATIONS PURSUANT TO SECTION 5c OF THE COMMODITY EXCHANGE ACT, 7
U.S.C. §7a-2 AND COMMODITY FUTURES TRADING COMMISSION RULE 40.6, 17 C.F.R. §40.6

I hereby certify that:

- (1) the amendments comply with the Commodity Exchange Act, and the Commission's regulations thereunder; and
- (2) concurrent with the filing of this submission, Eurex Clearing is posting a copy of this filing to its website at: <https://www.eurex.com/ec-en/rules-regs/regulations/cftc-dco-filings>.

/s/ Eric Seinsheimer

By: Eric Seinsheimer

Title: US CCO, Eurex Clearing AG

Dated: February 09, 2024

07 Feb 2024
Eurex Clearing

MSCI Derivatives: Introduction of Index Total Return Futures on MSCI World, EAFE and EM indices denominated in USD

Eurex Clearing Circular 008/24 MSCI Derivatives: Introduction of Index Total Return Futures on MSCI World, EAFE and EM indices denominated in USD

1. Introduction

Effective **11 March 2024**, Eurex Clearing AG (Eurex Clearing) will offer clearing services for Index Total Return Futures on MSCI World, EAFE and EM indices denominated in US dollar (USD).

In this context, the following measures will apply effective **11 March 2024**:

- ◆ Amendments to the Clearing Conditions of Eurex Clearing AG (Clearing Conditions) and to the Price List of Eurex Clearing AG (Price List) regarding the introduction of Total Return Futures on MSCI World Index, MSCI EAFE and MSCI EM indices denominated in USD.

Please refer to Eurex circular 019/24 for detailed trading-related information, including fee classification and the related amendments to the Rules and Regulations of Eurex Deutschland.

Production start: 11 March 2024

2. Required action

There is no action required for participation.

3. Details of the initiative

A. Product overview

Please refer to the table below for the overview of the new products:

Product name	Product ID	Currency	Product ISIN	Underlying ISIN
Total Return Futures MSCI World Index	TMWO	USD	GB00BMY0G899	DE000A400NB3
Total Return Futures MSCI EAFE	TMFA	USD	GB00BP689S37	DE000A400NC1
Total Return Futures MSCI Emerging Markets	TMEM	USD	GB00BP5FSK09	DE000A400ND9

B. Contract specifications

For the detailed contract specifications, please refer to Eurex Circular 019/24.

C. Product group

Please refer to the table below for the product group of the new products:

Product	Product Segment	Product Group	Regulatory Status	Settlement Type	Product Type	Product Currency	Product Capacity Name
Index Total Return Futures on the MSCI indices (M1WO, M1EA, M1EF)	Equity Index Derivatives	Total Return Futures	Not admitted for U.S. trading	Cash Settlement	FINX	USD	Cash USD

D. Transaction fees

The transaction and maintenance fees for the new products can be retrieved from the updated sections of the Price List, as outlined in Attachment 2.

E. Risk parameters

Margins for the new products are calculated in Prisma. For the risk parameters of the new products, please refer to the Eurex Clearing website www.eurex.com/ec-en/ under the following link:

Services > Risk parameters

F. Amendments to the legal framework of Eurex Clearing

To reflect this decision in the legal framework of Eurex Clearing, the following provisions will be amended as outlined in the Attachments:

- ◆ Chapter II Part 2 Numbers 2.22.2, 2.22.3 of the Clearing Conditions
- ◆ Numbers 3.1, 3.3, 3.4 of the Price List

As of the effective date, the full versions of the amended Clearing Conditions and Price List will be available for download on the Eurex Clearing website www.eurex.com/ec-en/ under the following link:

Rules & Regs > Eurex Clearing Rules and Regulations

The amendments to the legal framework of Eurex Clearing AG published by this circular are deemed accepted by each affected contractual party of Eurex Clearing AG, unless the respective contractual party objects by written notice to Eurex Clearing AG prior to the relevant effective date(s) as stipulated in this circular. In case of an objection by the respective contractual party pursuant the preceding sentence, Eurex Clearing AG is entitled to terminate the respective contract (including a Clearing Agreement, if applicable). Instead of submitting an objection, the respective contractual party may submit in writing to Eurex Clearing AG comments to any amendments of the legal framework of Eurex Clearing AG within the first 10 Business Days after the publication of the amendments. Eurex Clearing AG shall assess whether these comments prevent the published amendments from becoming effective taking into account the interests of Eurex Clearing AG and all contractual parties.

Unless the context requires otherwise, terms used and not otherwise defined in this circular shall have the meaning ascribed to them in the Clearing Conditions or FCM Clearing Conditions of Eurex Clearing AG, as applicable.

Attachments:

- ◆ 1 – Amended sections of the Clearing Conditions of Eurex Clearing AG
- ◆ 2 – Amended sections of the Price List of Eurex Clearing AG

Further information

Recipients: All Clearing Members, ISA Direct Clearing Members, Disclosed Direct Clients of Eurex Clearing AG, vendors, all FCM Clearing Members and other affected contractual parties

Target groups: Front Office/Trading, Middle + Backoffice, IT/System Administration, Auditing/Security Coordination

Related circular: Eurex Circular 019/24

Contact: client.services@eurex.com

Web: www.eurex.com/ec-en/

Authorized by: Jens Janka

Further information

[↓ Attachment 1 to Eurex Clearing Circular 008/24](#)

[↓ Attachment 2 to Eurex Clearing Circular 008/24](#)

A member of

Eurex Clearstream Eurex Clearing Qontigo Eurex Repo EEX 360T Xetra Börse Frankfurt

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Chapter II of the Clearing Conditions of Eurex Clearing AG

Transactions Concluded at Eurex Deutschland

(Eurex Exchange)

As of 11.03.2024

AMENDMENTS ARE MARKED AS FOLLOWS:

INSERTIONS ARE UNDERLINED;

DELETIONS ARE CROSSED OUT

[...]

Part 2 Clearing of Futures Contracts

[...]

2.22 Clearing of Index Total Return Futures Contracts

The following provisions shall apply to the Clearing of Index Total Return Futures Contracts as specified in Number 1.22 of the Eurex Contract Specifications.

[...]

2.22.2 Daily Settlement Price

(1) [...]

The daily settlement price for Index Total Return Futures Contracts is determined in index points as:

$$\text{Daily settlement price } (t) = \text{Index Close } (t) + \text{Accrued Distributions } (t) - \text{Accrued Funding } (t) + \text{Settlement Basis } (t)$$

Where:

t = current trading day

$\text{Index Close } (t)$ = the closing level of the index calculated by the respective index provider or as otherwise indicated in the Eurex Contract Specifications

[...]

[...]

(6) The following shall apply to Index Total Return Futures Contracts on MSCI Indices (as listed in Number 1.22.1 (2) of the Eurex Contract Specifications) in conjunction with the Eurex Contract Specifications and provisions specified above under Sub-paragraph (1) for the daily settlement price:

<u>Parameter</u>	<u>Format</u>	<u>Description</u>
<u>Index Close</u>	<u>Index points</u>	<u>Index level at 17:30 CET (European closing) of the respective MSCI Index as calculated by MSCI Inc.</u>
<u>Annualisation Factor</u>	<u>Integer</u>	<u>360</u>

2.22.3 Final Settlement Price

[...]

(5) The following shall apply to Index Total Return Futures Contracts on MSCI Indices (as listed in Number 1.22.1 (2) of the Eurex Contract Specifications) in conjunction with the Eurex Contract Specifications and formulas used for the calculation of the final settlement price in index points:

<u>Parameter</u>	<u>Format</u>	<u>Description</u>
<u>Final Settlement Index</u>	<u>Index points</u>	<u>Final settlement price of the Index Futures on the respective MSCI index as calculated in accordance with Chapter II Part 2 Number 2.4.2. of the Clearing Conditions.</u>

[...]

AMENDMENTS ARE MARKED AS FOLLOWS:

INSERTIONS ARE UNDERLINED;

DELETIONS ARE CROSSED OUT

[...]

3 Transaction Fees for Derivatives Transactions (Order Book Transactions and Off-Book Transactions on the Eurex Exchange)

[...]

3.1 Matching / Registration of Derivatives Transactions

[...]

Product / Product Group	Currency	Execution Type	Accounts	Standard Fee per Contract (contract volume ≤ threshold)	Reduced Fee per Contract (contract volume > threshold)	Threshold (number of contracts)
[...]						
Total Return Equity Index Derivatives						
Total Return Equity Index Futures						
[...]						
Total Return Futures on other STOXX® Indices	EUR	Order book	A	0,60	n. a.	n. a.
			P	0,60	n. a.	n. a.
			M	0,60	n. a.	n. a.
		TES	A	0,60	n. a.	n. a.
			P	0,60	n. a.	n. a.
			M	0,60	n. a.	n. a.
Total Return Futures on MSCI World Index [NTR, USD]	USD	Order book	A	2,00	n. a.	n. a.
			P	2,00	n. a.	n. a.
			M	2,00	n. a.	n. a.
		TES	A	2,00	n. a.	n. a.
			P	2,00	n. a.	n. a.
			M	2,00	n. a.	n. a.
Total Return Futures on MSCI EAFE (NTR, USD)	USD	Order book	A	1,50	n. a.	n. a.
			P	1,50	n. a.	n. a.
			M	1,50	n. a.	n. a.
		TES	A	1,50	n. a.	n. a.
			P	1,50	n. a.	n. a.
			M	1,50	n. a.	n. a.
	USD	Order book	A	1,00	n. a.	n. a.
			P	1,00	n. a.	n. a.

Product / Product Group	Currency	Execution Type	Accounts	Standard Fee per Contract (contract volume ≤ threshold)	Reduced Fee per Contract (contract volume > threshold)	Threshold (number of contracts)
Total Return Futures on MSCI Emerging Markets (NTR, USD)		TES	<u>M</u>	1,00	<u>n. a.</u>	<u>n. a.</u>
			<u>A</u>	1,00	<u>n. a.</u>	<u>n. a.</u>
			<u>P</u>	1,00	<u>n. a.</u>	<u>n. a.</u>
			<u>M</u>	1,00	<u>n. a.</u>	<u>n. a.</u>
[...]						

[...]

3.3 Position Closing Adjustments

- (1) For Position Closing Adjustments, if these do not take place until 13:30 CET on the trading day following the day of the transaction, the following fees shall be charged:

Product / Product Group	Account	Fee per Contract
[...]		
Total Return Equity Index Derivatives		
[...]		
Total Return Futures on FTSE® Indices	A	GBP 2.00
	P	
	M	
Total Return Futures on MSCI World Index (NTR, USD)	<u>A</u>	<u>USD 4.00</u>
	<u>P</u>	
	<u>M</u>	
Total Return Futures on MSCI EAFE (NTR, USD)	<u>A</u>	<u>USD 3.00</u>
	<u>P</u>	
	<u>M</u>	
Total Return Futures on MSCI Emerging Markets (NTR, USD)	<u>A</u>	<u>USD 2.00</u>
	<u>P</u>	
	<u>M</u>	
[...]		

[...]

3.4 Cash Settlement

(1) The following fees are charged for cash settlement of the products listed below:

Product / Product Group	Account	Fee per Contract	Maximum Fee for Contracts on the same underlying
[...]			
Equity Index Derivatives			
Total Return Equity Index Derivatives			
[...]			
Total Return Futures on FTSE® Indices	A	GBP 1.00	n. a.
	P		
	M		
<u>Total Return Futures on MSCI World Index [NTR, USD]</u>	<u>A</u>	<u>USD 2.00</u>	<u>n. a.</u>
	<u>P</u>		
	<u>M</u>		
<u>Total Return Futures on MSCI EAFE [NTR, USD]</u>	<u>A</u>	<u>USD 1.50</u>	<u>n. a.</u>
	<u>P</u>		
	<u>M</u>		
<u>Total Return Futures on MSCI Emerging Markets [NTR, USD]</u>	<u>A</u>	<u>USD 1.00</u>	<u>n. a.</u>
	<u>P</u>		
	<u>M</u>		
[...]			

[...]

[...]

3.14 Maintenance Fees

For open positions Eurex Clearing shall charge the following fees in addition to the transaction fees for matching and registration of transactions as outlined in Number 3.1.

(1) For open positions the daily accrued maintenance fee shall be as follows:

Product / Product group	Currency	Accounts	Fee per Contract
[...]			
Total Return Equity Index Derivatives			
Total Return Equity Index Futures			
[...]			
Total Return Futures on FTSE® Indices	GBP	A/P	0.004
		M	0.002
<u>Total Return Futures on MSCI World Index [NTR, USD]</u>	<u>USD</u>	<u>A</u>	<u>0.03</u>
		<u>P/M</u>	<u>0.015</u>
<u>Total Return Futures on MSCI EAFE [NTR, USD]</u>	<u>USD</u>	<u>A</u>	<u>0.024</u>
		<u>P/M</u>	<u>0.012</u>
<u>Total Return Futures on MSCI Emerging Markets [NTR, USD]</u>	<u>USD</u>	<u>A</u>	<u>0.016</u>
		<u>P/M</u>	<u>0.008</u>
[...]			

[...]

[...]
