

X-pand into the Future



eurex circular 099/10

Date: Frankfurt, May 25, 2010
Recipients: All Trading Members of Eurex Deutschland and Eurex Zürich, all Clearing Members of Eurex Clearing AG and Vendors
Authorized by: Peter Reitz

 High priority

Futures on Skimmed Milk Powder and Butter: Composition of Indexes; Margin and Mistrade Parameters

Related Eurex Circular: 070/10

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Content may be most important for:

 All departments

Attachments:

none

Summary:

The international derivatives exchange Eurex will extend its product range in the asset class of agricultural derivatives (see Eurex circular 070/10). Start of trading will be **May 31, 2010** with two new futures based on the agricultural products of skimmed milk powder and butter.

This circular contains information on index calculation as underlying of the two new futures and on the margining of the named products.



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**Futures on Skimmed Milk Powder and Butter: Composition of Indexes;
Margin and Mistrade Parameters**

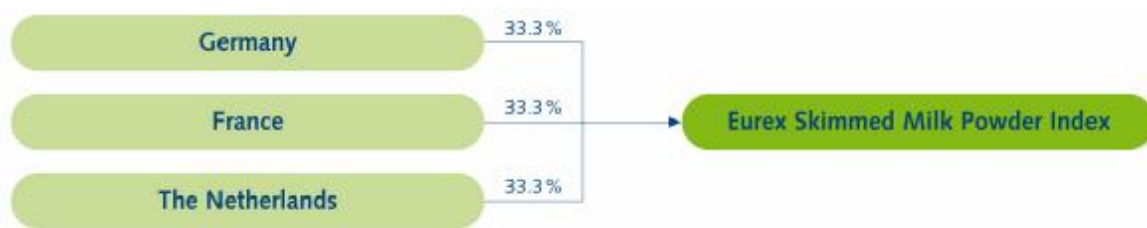
The international derivatives exchange Eurex will extend its product range in the asset class of agricultural derivatives (see Eurex circular 070/10). Start of trading will be May 31, 2010 with two new futures based on the agricultural products of skimmed milk powder and butter.

1. Composition of the Indexes

Upon maturity, both futures are settled in cash. For the respective settlement procedure (cash settlement), reference prices will be used which represent in each case the value of the physically traded goods. For the contracts, market price indexes will be applied which are explained in the following:

Eurex Skimmed Milk Powder Future (FSMP)

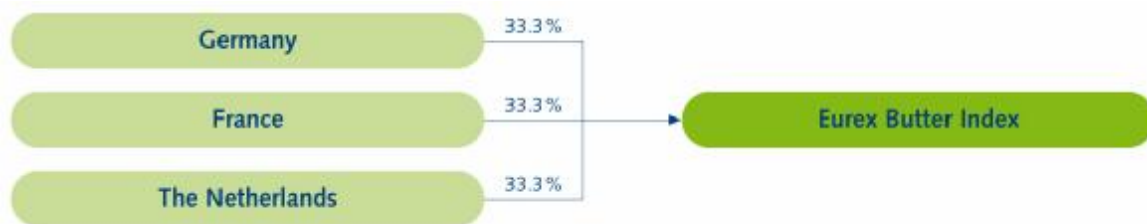
Futures positions on skimmed milk powder which are still open on the last trading day, are settled against the final settlement price which corresponds to the Eurex Skimmed Milk Powder Index. The index is composed as follows:



For index calculation, Eurex refers to recognized price determinations in the individual countries. The Eurex Skimmed Milk Powder Index represents the average value of these three quotations. There is a high correlation between the country quotations.

Eurex Butter Future (FBUT)

Futures positions on butter, which are still open after the last trading day, will be settled against the final settlement price, which corresponds to the Eurex Butter Index. This index is composed as follows:



For index calculation, Eurex refers to recognized price determinations in the individual countries. The Eurex Butter Index represents the average value of these three quotations. There is a high correlation between the country quotations.

2. Margin Parameters

The following margin parameters will apply for the new products:

Product	Product Code	Margin Class	Margin Parameter absolute	Absolute / Percentage	Additional Margin (EUR)	Spread Margin Parameter (EUR)
Futures on Eurex SMP Index	FSMP	SMP	187	A	935	1870
Futures on Eurex BUT Index	FBUT	BUT	261	A	1305	2610

As of start of trading, the parameters will be published on the Eurex website under the following path:

www.eurexchange.com > Clearing > Risk & Margining > Risk Parameters

3. Mistrade Parameters

A deviation of the Mistrade Transaction Price from the Reference Price shall be deemed significant if the price of the Mistrade Transaction deviates from the Reference Price more than 20 percent of the margin parameters for the corresponding futures contract.

As of start of trading, mistrade ranges will be available on the Eurex website under the path for commodity derivatives under:

www.eurexchange.com > Trading > Products > Commodity Derivatives > Agriculture Derivatives

If you have any questions on the composition of the indexes, please refer to Sascha Siegel, Product Development at tel. +49-69-211-1 26 96. For questions on clearing, please contact the Functional Helpdesk Clearing at tel. +49-69-211-1 12 50, regarding the margin parameters please call Risk Operations at tel. +49-69-211-1 24 52.

Frankfurt, May 25, 2010