

	Number:	I-EX-DF-18/2021
	Contract Group:	Financial Derivatives
	Date:	14 September 2021
	Effective Date:	20 September 2021
	Replaces:	I-EX-DF-20/2019
Subject	Liquidity Provider Program for xRolling FX Futures.	
Summary	Minimum requirements to meet to be considered Liquidity Provider for xRolling FX. It is modified to include new types of Liquidity Providers	

This Instruction is published to develop the established on Circular C-EX-DF-07/2021 or any Circular which may replace it.

ASSOCIATED BENEFIT TO LIQUIDITY PROVIDER PROGRAM ON STOCK FUTURES SETTLED BY DELIVERY

Associated benefits of every traded contract on the member prop account on the group of crosses (Annex 1 and 2) where the minimum requirements are fulfilled will be the next:

- 100% of the fee per contract paid by the member to MEFF and BME CLEARING + 25% of the fee paid by the counterparty to MEFF and BME CLEARING*.
- 100% of the daily position Roll-Over fee paid by the member to BME CLEARING.

*Only the operations where one of the sides is not a Liquidity provider will apply for the extra 25% incentive.

MINIMUM QUOTING CONDITIONS AND DEGREE OF FULFILLMENT MEASUREMENT

a) Each Member will quote at least one of the three time frames establish:

<i>Quote Time Frame</i>	<i>(CET Hours)</i>
Asian	from 00:00 to 10:00
European	from 08:00 to 18:00
American	from 13:00 to 23:00

The incentives will apply for the time frame where the requirements are fulfilled, one or more.

- b) The minimum quoting time to be considered Liquidity Provider will be 80% as an average of each control period that will be mon
- c) Quotes will be for the minimum contracts and maximum spreads (expressed in euro cents) established on Annex 1 and 2.

d) Control system will take an observation each 5 seconds and will assign credits:

- Normal Conditions: One credit for each observation with correct spread and volume according to specifications on Annex 1 and 2.

- Special Conditions: Members can gain more credits as follows:

Control system will assign one credit per observation and contract quoted correctly if Members quote; more underlyings, more than 80% of the session on mandatory underlying.

- For each underlying throughout the session, accumulated punctuation on observations will result on a figure. If during the control month, the Member obtains more than 80% or more possible points, it will be considered that conditions have been fulfilled.

FAST MARKET

If the variation between the maximum and the minimum of an xRolling FX contract in the last 60 minutes has been greater than 1%, MEFF will declare the “Fast Market” for 10 minutes on that contract, if after this time the variation is less than 1%, the “Fast Market” will be deactivated, if not, it will be extended 10 minutes and so on until the variation of the last 60 minutes is less than 1%.

When an underlying has “Fast Market” status, the quoting obligation will be established according the following criteria:

- The maximum quoting spread will be increased of 100% (Spread x 2).
- The minimum volume will be reduced on 50% (Volume / 2), always rounded up.

EXCEPTIONAL CONDITIONS AT THE LEVEL OF LIQUIDITY PROVIDER

For Liquidity Providers quoting 100, 500 and 1000 contracts, the communication that its maximum open position limit has been reached will be considered as an Exceptional Circumstance.

ANNEX 1: Liquidity providers. Reduced Volume.

Maximum Spreads and Minimum Volume

		Time Frame			
Currencies	Group	Asian	European	American	Nº of lots
EUR/USD	1	0.00006			50
EUR/GBP	1	0.00012			50
USD/CHF	1	0.00012			50
USD/CAD	1	0.00012			50
EUR/JPY	1	0.012			50
USD/JPY	1	0.008			50
EUR/CHF	2	0.00012			50
GBP/USD	2	0.00012			50
GBP/CHF	2	0.00020			50
AUD/USD	2	0.00007	0.00008		50
AUD/JPY	2	0.012		0.025	50
EUR/AUD	2	0.00020			50
NZD/USD	2	0.00012			50
USD/MXN	3	0.1000	0.1500		25
EUR/MXN	3	0.1500	0.2000		25
USD/BRL	3	0.0200	0.0300		25
EUR/BRL	3	0.0250	0.0350		25

ANNEX 2: Liquidity Provider. Big Volume.

Maximum Spreads and Minimum Volumes by Liquidity Provider model

		Horquilla 100				Horquilla 500				Horquilla 1000			
		Time Frame				Time Frame				Time Frame			
Currencies	Group	Asian	European	American	Nº of lots	Asian	European	American	Nº of lots	Asian	European	American	Nº of lots
EUR/USD	1	0.00006			100	0.00012			500	0.00015			1000
EUR/GBP	1	0.00012			100	0.00020			500	0.00025			1000
USD/CHF	1	0.00012			100	0.00020			500	0.00025			1000
USD/CAD	1	0.00012			100	0.00020			500	0.00025			1000
EUR/JPY	1	0.012			100	0.020			500	0.025			1000
USD/JPY	1	0.008			100	0.012			500	0.015			1000
EUR/CHF	2	0.00012			100	0.00020			500	0.00025			1000
GBP/USD	2	0.00012			100	0.00020			500	0.00025			1000
GBP/CHF	2	0.00020			100	0.00025			500	0.00030			1000
AUD/USD	2	0.00007	0.00008		100	0.00015	0.00012		500	0.00020	0.00015		1000
AUD/JPY	2	0.012		0.025	100	0.025		0.040	500	0.030		0.060	1000
EUR/AUD	2	0.00020			100	0.00025			500	0.00030			1000
NZD/USD	2	0.00012			100	0.00020			500	0.00025			1000
USD/MXN	3	0.1000	0.1500		50	0.1500	0.2250		250	0.2000	0.3000		500
EUR/MXN	3	0.1500	0.2000		50	0.2500	0.3000		250	0.3000	0.4000		500
USD/BRL	3	0.0200	0.0300		50	0.0300	0.0500		250	0.0400	0.0600		500
EUR/BRL	3	0.0250	0.0350		50	0.0400	0.0500		250	0.0500	0.0700		500