Appendix to IT Notice:

Technical change of Index weekly options

5 Dec, 2018

Background

- With the Genium INET release in November 2018, the new field ”Product ID” was introduced
  - More information on the Product ID can be found here
- Product ID will allow for a wider support for Nasdaq’s products among its members and related software providers
- As of Monday November 19th 2018, all equity derivatives instruments has the Product ID field populated, except index weekly options
- To be able to configure the Product ID also for index weekly options, the technical configuration will be changed
  - Product ID is configured on Instrument class level

Description

- The current configuration is based on two instrument classes (OMXS30 weekly call option and OMXS30 weekly put option), which are used for all weekly expirations in a calendar month

- The new configuration is based on 8 new instrument classes for OMXS30 weekly options, where each instrument class denotes either a put option or a call option for each weekly expiration in a calendar month (week 1, 2, 4 or 5).

- Please note there is no change to *stock* weekly options (as these already have a configuration similar to the new configuration)

Detailed configuration

			Instrument group fields			Instrument type fields		Instrument class fields						
Product	**Commodity**	**Market Id**	**Instrument Group**	**Inst Group nbr**	**Instrument Group Name**	**Instrument Type**	**Instr Type Name**	**Instrument Class**	**Instrument Class Name**	**Product ID**	**Exchange nbr**	**Market nbr**	**Commodity nbr**	**Example series name**
Index weekly (current)	OMXS30	SEI	ECC	81	EUROPEAN CALL OPT CASH SETTLED	SIWC	SWEDISH INDEX WEEKLY CALL OPTION	OMXS30WCO	OMXS30 WEEKLY CALL OPTION	-	1	1	954	OMXS308L07Y1550
Index weekly (current)	OMXS30	SEI	EPC	82	EUROPEAN PUT OPT CASH SETTLED	SIWP	SWEDISH INDEX WEEKLY PUT OPTION	OMXS30WPO	OMXS30 WEEKLY PUT OPTION	-	1	1	954	OMXS308X07Y1550
Index weekly (NEW)	OMXS30	SEI	1CE	86	Week 1 Call Option European	SIWC1	SWEDISH INDEX 1st weekly call	OMXS30WCO1	OMXS30 WEEKLY CALL OPTION WEEK1	1XS30	1	1	954	OMXS309C01Y1550
Index weekly (NEW)	OMXS30	SEI	2CE	87	Week 2 Call Option European	SIWC2	SWEDISH INDEX 2nd weekly call	OMXS30WCO2	OMXS30 WEEKLY CALL OPTION WEEK2	2XS30	1	1	954	OMXS309C08Y1550
Index weekly (NEW)	OMXS30	SEI	4CE	88	Week 4 Call Option European	SIWC4	SWEDISH INDEX 4th weekly call	OMXS30WCO4	OMXS30 WEEKLY CALL OPTION WEEK4	4XS30	1	1	954	OMXS309C22Y1550
Index weekly (NEW)	OMXS30	SEI	5CE	89	Week 5 Call Option European	SIWC5	SWEDISH INDEX 5th weekly call	OMXS30WCO5	OMXS30 WEEKLY CALL OPTION WEEK5	5XS30	1	1	954	OMXS309C29Y1550
Index weekly (NEW)	OMXS30	SEI	1PE	90	Week 1 Put Option European	SIWP1	SWEDISH INDEX 1st weekly put	OMXS30WPO1	OMXS30 WEEKLY PUT OPTION WEEK1	1XS30	1	1	954	OMXS309O01Y1550
Index weekly (NEW)	OMXS30	SEI	2PE	91	Week 2 Put Option European	SIWP2	SWEDISH INDEX 2nd weekly put	OMXS30WPO2	OMXS30 WEEKLY PUT OPTION WEEK2	2XS30	1	1	954	OMXS309O08Y1550
Index weekly (NEW)	OMXS30	SEI	4PE	92	Week 4 Put Option European	SIWP4	SWEDISH INDEX 4th weekly put	OMXS30WPO4	OMXS30 WEEKLY PUT OPTION WEEK4	4XS30	1	1	954	OMXS309O22Y1550
Index weekly (NEW)	OMXS30	SEI	5PE	93	Week 5 Put Option European	SIWP5	SWEDISH INDEX 5th weekly put	OMXS30WPO5	OMXS30 WEEKLY PUT OPTION WEEK5	5XS30	1	1	954	OMXS309O29Y1550

= current field will change

= new value in field

New listing cycle

- The current instrument series are listed with an initial term of up to 4 weeks

- The new instrument series (new classes) will be listed with an initial term of up to either 4 or 5 weeks in accordance with the following:
  - Week 1 contracts are initially listed on the Friday in week 1 in previous month
  - Week 2 contracts are initially listed on the Friday in week 2 in previous month
  - Week 4 contracts are initially listed on the Friday in week 4 in the previous month
  - Week 5 contracts are initially listed on the Friday in week 1 of the same month

- New instrument series will also be listed in accordance with Exchange Notice 128/18 regarding the instrument series listing rule, in terms of the number of strike prices available above and below the at-the-money strike price

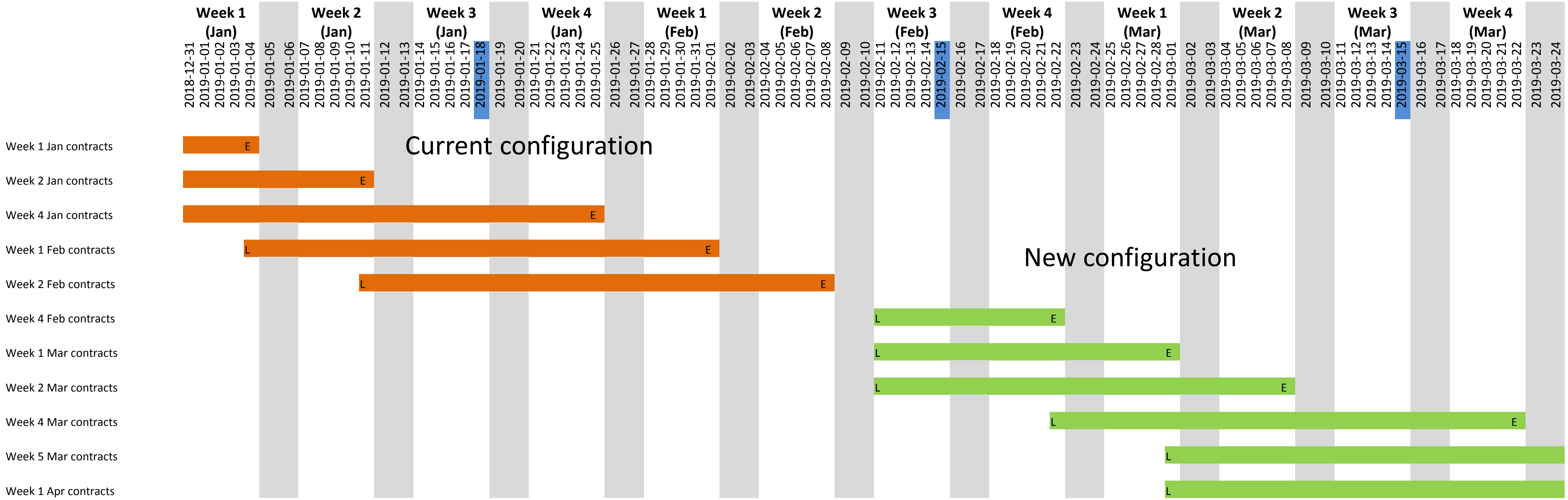
Product ID

- The Product ID for the new instrument classes will consist of the number of the week plus the last four letters in the underlying ID, i.e. 1XS30, 2XS30, 4XS30 and 5XS30

Recognised strategies

- For options strategy trading, the recognised strategies that may be created and traded using the TMC functionality will be changed for index weekly options
- For the new index weekly options classes, vertical spreads as well as horizontal spreads between consecutive weekly expirations and between weekly expirations and monthly expirations will be enabled. These are the same recognised strategies as for stock weekly options
- More information about recognised strategies can be found in appendix G to the [Market Model for Equity Derivatives]

Timeline



L = Initial listing date
E = Expiry date

Blue = third Friday (expiry of monthly options)

- Current listing cycle: Contracts listed with a term of 4 weeks always
- New listing cycle: Week 1 contracts listed on Friday in week 1 in previous month, Week 2 contracts listed in week 2, Week 4 contracts listed in week 4, and Week 5 contracts listed in week 1 same month

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