

# EURONEXT DERIVATIVES

SINGLE STOCK DIVIDEND FUTURES



February 2024

# SINGLE STOCK DIVIDEND FUTURES - OFFERING

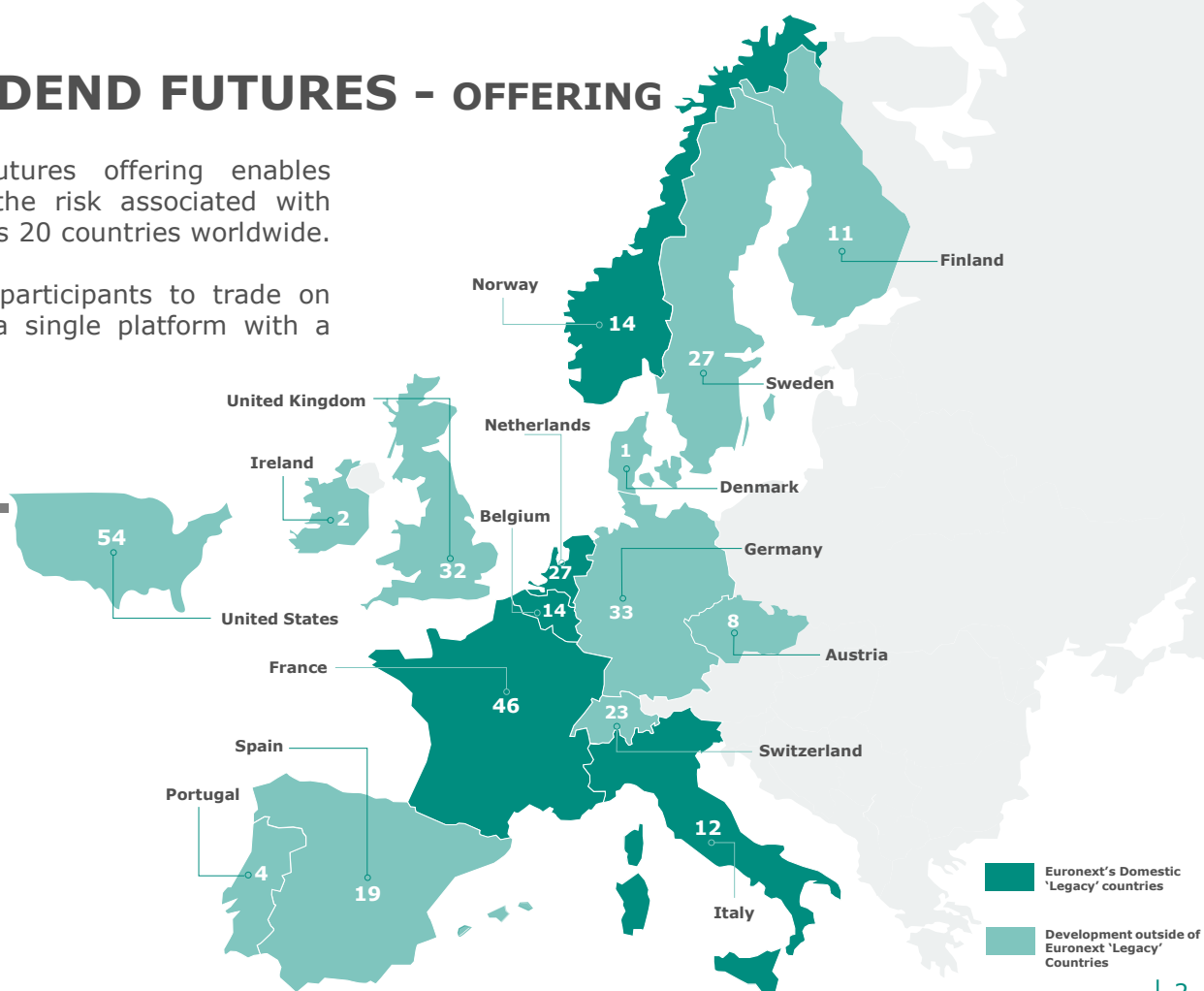
The Euronext Single Stock Dividend Futures offering enables investors to gain exposure to or hedge the risk associated with corporates through over 300 contracts across 20 countries worldwide.

The pan-European offering allows market participants to trade on Euronext across different countries using a single platform with a harmonised set of rules.

## 334 contracts across 20 countries

6 exchanges in Europe

- Amsterdam: 245
- Paris: 47
- Brussels: 14
- Milan: 12
- Oslo: 11
- Lisbon: 5



7+ other contracts not shown on the map

# SINGLE STOCK DIVIDEND FUTURES

- Euronext has made an incredible breakthrough in the **Single Stock Dividend and Single Stock Futures space**.
- It is the first time an exchange succeeds to establish an alternative and to gain **significant market shares** in this space.
- This became possible thanks to the combination of these 4 factors:

- **Client intimacy**



- **Agility**



- **Fair transaction costs**



- **Differentiating features**



- Thanks to the introduction of new maturities, a feature codesigned with clients, Euronext has been the only one to provide an agile and adapted solution to the extreme conditions created by the COVID-19 crisis.

# SINGLE STOCK DIVIDEND FUTURES

-  We offer the widest choice of Single Stock Dividend Futures to investors with more than **300 contracts** available for trading, many of which are only available at Euronext.
-  **HIGHER MULTIPLIER:** Contracts have a **10,000 multiplier** allowing investors to benefit from clearing efficiencies.
-  **COMPETITIVE PRICING:** Euronext has the lowest fee among the pan-European markets for both on and off-screen trading.
-  **INITIAL MARGIN EFFICIENCY:** Allows market participants to reduce capital costs thanks to an innovative portfolio approach.
-  Clearing members will need to enable trading on USD, CHF, SEK, DKK, NOK to unlock the concrete potential for products combining unique product features with a shorter maturity cycle.

# SINGLE STOCK DIVIDEND FUTURES - OFFERING

*Euronext contracts features answer client's demand*

## Higher denominator to generate clearing efficiencies

- Contrary to the industry standard, Euronext contracts have a **10,000 multiplier**
- 1 contract corresponds to the dividends attached to 10,000 shares

## Combined with a highly attractive pricing

COMPETITION	Trading + Clearing Fee (in € per lot)	
Dividend Group	Regular Fee	Off-Book (block)
< 0.15	1	1.50
<b>0.15 – 0.29</b>	3	3
<b>0.3 – 0.44</b>	5	7.50
<b>0.45 – 0.74</b>	9	13.50
≥ 0.75	12	18

EURONEXT	Trading + Clearing Fee (in € per lot) Client/House Account	
Dividend Group	Regular Fee	Off-Book (block)
< 0.50	1	1.5
<b>0.50 – 0.99</b>	4	6
≥ 1	6	9
<b>TOTAL</b>	<b>50 to 75% less expensive than Eurex</b>	

# SINGLE STOCK DIVIDEND FUTURES - OFFERING

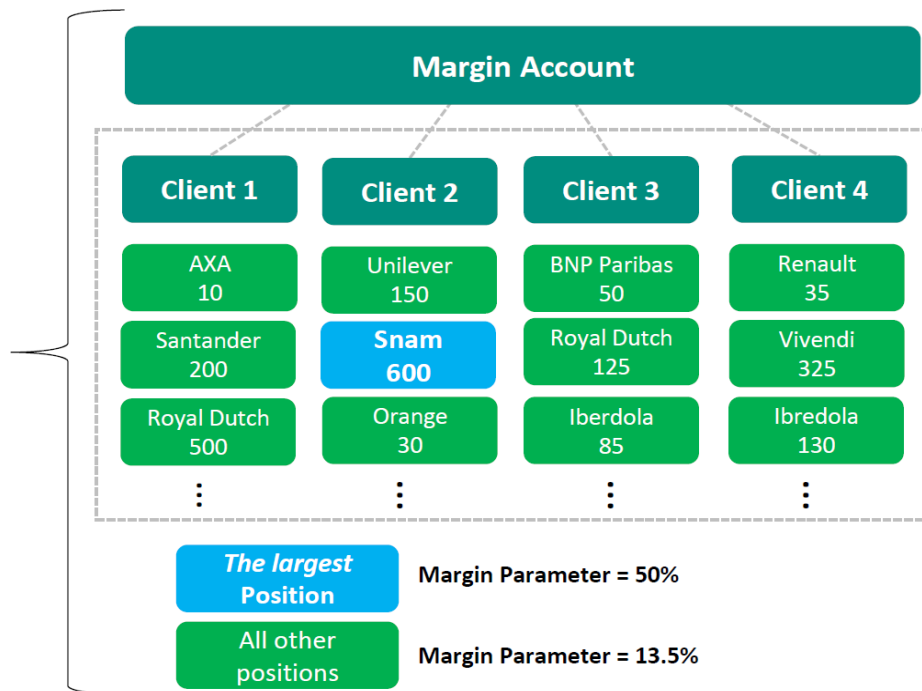
*Euronext contracts features answer client's demand*

## Innovative clearing model to lower the cost capital immobilisation

A **unique level of initial margin** is applied to SSDF contracts and set at **13.5%**

Only the **largest position** at the Margin Account level within your clearer will be set at 50%

This clearing system helps to **minimise the capital immobilised** at the portfolio level



# WHAT OUR CLIENTS SAY

## McKinley Capital Management

Martino Boffa – Director of Investments, Alternative Structures



"The McKinley Capital Growth Fund has invested in Single Stock Dividend Futures since their first introduction in Europe; it has invested in Euronext's new contracts which provide a wider opportunity set, at a competitive rate."

## BNP Paribas

Nicolas Certner – Equity Derivatives Trader



"BNP Paribas, pioneer in dividend trading, is proud to work closely with Euronext on the development of their outstanding single stock dividend future suite. Euronext has taken the path of providing a wide product range, offering more transparency, better liquidity and aggressive pricing. BNP Paribas, acting as market maker on the single stock dividend futures, is directly contributing to Euronext's success."

## BTG Pactual

Benjamin Clerget – Associate Partner and Portfolio Manager



"GEMM, BTG Pactual's main Hedge Fund, invests in dividend futures as a diversified source of alpha generation. Euronext has already offered more price transparency, liquidity and competitive pricing. We target to grow our market share with Euronext alongside the global development of the dividend futures market."

# WHAT OUR CLIENTS SAY

## Melanion Capital

Jad Comair - Founder & CIO

"Euronext's impressive issuing of more than 200 dividend futures shows they are clearly committed to the development of this product range that is innovative and complementary with their existing products. Record volumes seen this year on contracts like the CAC 40 dividend index future show that their clients are clearly following them on this path, and the best is yet to come!"



## Societe Generale

Massimiliano Pignatelli - Head of European Forward Trading

"Our leading market share on Euronext single stock futures franchise translates our commitment to the success of this attractive product range, as a key player on Euronext we do believe in the future of this alternative solution for dividend investments."



## Laffite Capital Management

Arnaud Yvinec - Managing Partner

"Thanks to the CAC 40 Dividend Future's strong liquidity and to Euronext's coverage of all its components at the single name level, it is now easier to invest in French companies' dividends. We are hence able to seize new arbitrage opportunities which represents a concrete added value."





