

**LONDON NOTICE No. 3332**

ISSUE DATE: 14 September 2010

EFFECTIVE DATE: 4 October 2010

**FTSE 100 INDEX FUTURES CONTRACT****EXTENSION OF TRADING HOURS****Executive Summary**

This Notice informs Members of the extension of the trading hours of the FTSE 100 Index Futures Contract on and from 4 October 2010. From this date, the Contract will open for trading each day at 01:00 hours.

**This Notice requires the attention of Members' staff involved with the trading and settlement of NYSE Liffe products. Members should ensure that clients are made aware of the arrangements detailed in this Notice.**

**1. Introduction**

- 1.1 This Notice informs Members that, **with effect from Monday 4 October 2010, the FTSE 100 Index Futures Contract ("the Contract") will open for trading each day at 01:00 hours.** All times stated in this Notice are given in London time.
- 1.2 The Contract will be available continuously until 07:50 hours, and then will enter a ten minute Pre-Open period between 07.50 hours and 08:00 hours during which, as with traditional Pre-Open periods, orders may be submitted, revised and pulled but no business will be matched. For the avoidance of doubt, at 07:50 hours the market will not close, and LIFFE CONNECT<sup>®</sup> will not delete any resting orders from the market. At the end of this Pre-Open period, the Trading Host will apply the uncrossing algorithm, if necessary, before the Contract enters continuous trading again until 21:00 hours.
- 1.3 The LIFFE CONNECT<sup>®</sup> standard session times for the Contract on and from Monday 4 October 2010 shall be as follows:

Session Start	Early Pre-Open	Early Open	Pre-Open	Open	Pre-Close	Settlement	Close	Session Close
00:30	00:45	01:00	07:50	08:00	20:58	16:30	21:00	22:00

Web site: [www.nyx.com/liffe](http://www.nyx.com/liffe)

The **Euronext Derivatives Markets** comprise the markets for derivatives operated by Euronext Amsterdam, Euronext Brussels, Euronext Lisbon, Euronext Paris and LIFFE Administration and Management, referred to respectively as the Amsterdam, Brussels, Lisbon, Paris and London markets. Euronext is part of the NYSE Euronext group.

An updated table of Trading Hours shall be made available on the NYSE Euronext website ([www.nyx.com/liffe](http://www.nyx.com/liffe)) in due course.

- 1.4 This extension to trading hours applies only to the trading of the Contract on LIFFE CONNECT®. Bclear reporting times in respect of the Contract will remain unchanged.

## **2. Operational Implications**

- 2.1 In line with the arrangements for the extended trading session of the Euribor Futures Contract, the Financials TRS system will be available during the additional trading hours.
- 2.2 Members should continue to ensure that trade processing is completed within one hour of trade execution in accordance with current trade processing procedures (LIFFE Circular No. 99/28, issued on 25 February 1999, refers). As noted in LIFFE Circular No. 99/28, there may be circumstances in which this deadline cannot be achieved. Members must seek to minimise any resultant delay.
- 2.3 There will be no change to the evening clearing processing deadlines and the generation of associated reports.

## **3. Liquidity Conditions**

- 3.1 The revised trading hours further extend the availability of the Contract outside normal business hours for a European Index Future. As a consequence, Members may expect liquidity during the additional trading hours to be at a lower level than is normally available during the current trading session for the Contract.
- 3.2 Orders identified as “Good ‘Til Cancelled” will be active from the commencement of trading at 01:00 hours, unless amended. Members should consider the impact of likely liquidity conditions on such orders where they are maintained in the market during the additional trading hours and make any amendments to the characteristics of those orders as they deem appropriate.

## **4. Staffing Implications for Members**

- 4.1 Members should be aware that Euronext Rule 8106 (Rules, Book I) requires Members to set up and maintain an appropriate system of internal controls which ensures that the Member continuously complies with all requirements imposed by or pursuant to the Rules. Rule 8106 also requires Members to have adequate arrangements to ensure that all staff involved in the conduct of business are suitable, adequately trained and properly supervised. Such internal controls shall necessarily apply to any market activity which the Member enters into in respect of the Contract during the extension to the trading session.
- 4.2 Given the nature of the change being made, the Exchange considers it appropriate to provide an indication of appropriate Member staffing requirements. This does not, however, detract from the generality of Rule 8106. The Exchange considers it appropriate for Members conducting business in the Contract to have staff available to perform risk management, compliance and trade processing functions during the period in which they are active in the market. Suitable supervisory staff should also be available.
- 4.3 The Exchange acknowledges that for some Members there may be a limited level of activity during the earlier part of the extended trading session and that therefore the risk management, compliance and trade processing functions may be carried out appropriately with a reduced staffing level. Similarly, some Members may be able to make arrangements to transfer these functions to other operational centres. In such cases, the Member must ensure that the Exchange is able to contact the relevant personnel at all times.

## **5. LIFFE CONNECT® Wholesale Trading Functionality**

- 5.1 Members should note that LIFFE CONNECT® does not permit the submission of wholesale trades (i.e. Block Trades, Basis Trades etc) during Pre-Open periods. In addition, the wholesale trade reporting deadlines set out in the NYSE Liffe Trading Procedures will continue to apply at all times. Therefore, insofar as Members may attempt to arrange wholesale trades just prior to the 07:50 hours Pre-Open period of the Contract, they should consider whether they will be able to comply with the relevant reporting deadline given that wholesale trade reporting is prevented by the Trading Host during the ensuing 10 minute Pre-Open period.

For further information in relation to this Notice, Members should contact:

Equity Derivatives

+ 44 (0)20 7379 2200

[equities@liffe.com](mailto:equities@liffe.com)