

London Stock Exchange Derivatives

MARKET NOTICE 2015/081

New Product Launch – UK stock options and futures with 100 share contract size

London Stock Exchange Derivatives Market (LSEDM) informs Members that it will be launching a set of **new “mini” UK stock options and futures, with a contract size of 100 shares**. The new contracts will be available from **16 November 2015**. All relevant regulatory processes have been completed.

The 100 share contract size, developed in consultation with market participants, applies to the most expensive liquid options in the FTSE 100, with the aim to bring the notional exposure of these contracts in line with the average of the remaining market, and improve liquidity and diversity of participation.

The new contracts include:

- **Futures and options on 11 new underlyings:** Associated British Foods (ABF), Astra Zeneca (AZN), British American Tobacco (BATS), Carnival (CCL), Imperial Tobacco Group (IMT), Intercontinental Hotels Group (IHG), Next plc (NXT), Sabmiller (SAB), Shire (SHP), Unilever (ULVR) and Wolseley (WOS).
- **The size of contracts on 2 underlyings currently available on LSEDM will be changed to 100:** Rio Tinto (RIO)¹ and Randgold Resources (RRS).

Order book trading will be available for physically settled options on 6 underlyings, including Astra Zeneca (AZN), British American Tobacco (BATS), Imperial Tobacco Group (IMT), Rio Tinto (RIO), Sabmiller (SAB) and Unilever (ULVR).

Contract specifications, product list, block sizes and market making obligations are attached to this Notice. For further information, please refer to the product documentation available on www.lseg.com/derivatives before 16 November 2015.

If you have any questions, please contact the LSEDM Sales Team on +44 (0) 207 797 1562.

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¹ Series based on RIO currently available on the LSEDM Order book will be replaced with series with the new underlying contract size of 100 from 16 November 2015