

## Valuation Price

NYSE Euronext is pleased to announce the implementation of a valuation price for ETF trading group auctions.

The valuation price will be the midpoint of the best Bid and Ask of the order book, rounded up or down to the ETF tick size.

It will be automatically triggered by the trading engine when all of the following conditions are met:

- No trade occurs at the ETF trading group auctions.
- A Liquidity Provider is present on both sides of the order book.
- If the valuation price is inside the trading thresholds.

The valuation prices will be disseminated via Market Data trade messages, identified with a flag and have a quantity of one lot size. Furthermore, they are not included in the daily volumes exchanged during a trading day.

Stop orders will be triggered by the valuation prices and inserted in the order book.

## EXAMPLES:

The class is traded on a continuous basis and is Core Call phase

The quotation range is equal to 0.01€.

### CASE 1: VALUATION PRICE AT THE CLASS OPENING

ELEMENTS	VALUE
Instrument	I1
Reference Price	106
High Collar	108
Low Collar	104

### ORDERBOOK I1

			IMP				
Broker	OrderId n°	Quantity	Price	Price	Quantity	OrderId n°	Broker
MBR1	1	10	100	110	10	2	LP2
LP1	3	10	90				

**At the auction, the instrument I1 cannot trade → the trading engine generates a valuation price at 105€**

CASE 2: POSSIBLE TRADE AT THE OPENING, NO VALUATION PRICE

ELEMENTS	VALUE
Instrument	I2
Ref Price	110
High Collar	112
Low Collar	108

ORDERBOOK I2

			IMP	110			
Broker	OrderId n°	Quantity	Price	Price	Quantity	OrderId n°	Broker
MBR1	1	10	110	110	10	2	LP1
LP1	3	10	90				

At the auction, instrument I2 can trade at 110€ → no valuation trade

CASE 3: NO POSSIBLE TRADE AT THE OPENING, BUT NO VALUATION PRICE

ELEMENTS	VALUE
Instrument	I3
Ref Price	105
High Collar	105
Low Collar	105

ORDERBOOK I3

			IMP	105			
Broker	OrderId n°	Quantity	Price	Price	Quantity	OrderId n°	Broker
MBR1	1	10	MO	MO	10	2	MBR1
LP1	3	10	90	100	10	4	LP1

**At the auction, the instrument I3 cannot trade at 105€ (outside the collars) and reserves → no valuation trade**

CASE 4: NO POSSIBLE TRADE AT THE AUCTION, BUT NO VALUATION PRICE DUE TO LP'S ABSENCE

ELEMENTS	VALUE
Instrument	I4
Ref Price	105
High Collar	107
Low Collar	103

ORDERBOOK I4

			IMP	--			
Broker	OrderId n°	Quantity	Price	Price	Quantity	OrderId n°	Broker
MBR1	1	10	MO				
LP1	3	10	90				

**At the auction, the instrument I4 cannot trade, but no valuation trade is sent by the engine due to the absence of LP at one side of the book.**

CASE 5: NO POSSIBLE TRADE, VALUATION PRICE

ELEMENTS	VALUE
Instrument	I5
Ref Price	102
High Collar	104
Low Collar	100

ORDERBOOK I5

			IMP	--			
Broker	OrderId n°	Quantity	Price	Price	Quantity	OrderId n°	Broker
MBR1	1	10	100 (VFA)	103	10	4	LP2
LP1	3	10	90	105 (VFA)	10	2	MBR1

**At the auction, the instrument I5 cannot trade → the trading engine generates a valuation trade at 101.5€**

CASE 6: POSSIBLE TRADE AT THE OPENING, NO VALUATION PRICE

ELEMENTS	VALUE
Instrument	I6
Ref Price	95
High Collar	96
Low Collar	94

ORDERBOOK I6

Broker	OrderId n°	Quantity	IMP		Quantity	OrderId n°	Broker
			Price	Price			
MBR1	1	10	100 (VFA)	95	10	2	LP2
LP1	3	10	90	(VFA) 100	10	4	MBR1

**At the auction, the instrument I6 can trade at 95€ → no valuation price**

CASE 7: NO POSSIBLE TRADE AT THE OPENING, VALUATION PRICE

ELEMENTS	VALUE
Instrument	17
Ref Price	95
High Collar	96
Low Collar	94

ORDERBOOK I7

		IMP					
Broker	OrderId n°	Quantity	Price	Price	Quantity	OrderId n°	Broker
MBR1	1	10	100 (VFC)	95	10	2	LP2
LP1	3	10	90	(VFC) 100	10	4	MBR1

**At the auction, the instrument 17 cannot trade → the trading engine generates a valuation trade at 92.5€**

CASE 8: NO TRADE AT THE OPENING, VALUATION PRICE AND STOP TRIGGERING

ELEMENTS	VALUE
Instrument	I8
Ref Price	95
High Collar	100
Low Collar	90

ORDERBOOK I8

			IMP				
Broker	OrderId n°	Quantity	Price	Price	Quantity	OrderId n°	Broker
MBR1	1	10	90	95	10	2	LP2
LP1	3	10	90				
			STOP	ORDERS			
Broker	OrderId n°	Quantity	Price (Trigger price)	Price (Trigger price)	Quantity	OrderId n°	Broker
MBR1	4	10	103 (101)	91 (94)	10	5	MBR1

At the auction, the instrument I8 cannot trade due to uncrossed limits → the trading engine generates a valuation trade at 92.5€. The sell stop order is triggered and enters in the order book.

CASE 9: NO POSSIBLE TRADE AT THE OPENING, NO POSSIBLE VALUATION PRICE BECAUSE OF COLLAR CROSSED

ELEMENTS	VALUE
Instrument	I9
Ref Price	96
High Collar	98
Low Collar	94

ORDERBOOK I9

IMP							
Broker	OrderId n°	Quantity	Price	Price	Quantity	OrderId n°	Broker
MBR1	1	10	90	95	10	2	LP2
LP1	3	10	90				
STOP				ORDERS			
Broker	OrderId n°	Quantity	Price (Trigger price)	Price (Trigger price)	Quantity	OrderId n°	Broker
MBR1	4	10	103 (101)	91 (99)	10	5	MBR1

At the auction, the instrument I9 cannot trade due to uncrossed limits → the valuation price at 92,5€ is outside the collars, so no valuation trade can be sent by the engine.