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## EDITORIAL

Welcome to the latest edition of our Commodities newsletter!

2019 has already been a busy year. As we prepare for the introduction of our new warrants-based delivery system planned later this year (EIM Phase 2), the work completed in Phase 1 is already bearing fruit. We have seen new Clearing Members joining the delivery system and an all-time record delivery in Milling Wheat in the March expiry, with over 3,500 lots going to delivery.

On the innovation front, this June saw the launch of our new futures contract on residential real estate in Paris. This is a real innovation in the property investment market and we hope it will prove of use to real estate investors and derivatives traders alike.

Also in June we saw the acquisition of Oslo Børs VPS, Norway's stock exchange, clearing house and market solutions business. In addition to Oslo Børs's expertise in energy and shipping, the combination brings with it the successful seafood derivatives market, Fish Pool, based in Bergen. Oslo Børs is set to become an important hub for our commodities business and we look forward to working closely with our Norwegian colleagues.

Following the last annual Euronext Commodity Day held in January, we confirmed the arrival of two new delivery points for our Milling Wheat contract for 2020 with Sica La Pallice and InVivo's Nantes location, adding to the new corn delivery points of Dunkirk and Ghent that will be active as of this November. Over the next months we will be sending out a new questionnaire as we do regularly to gather precious information on our contracts, new opportunities etc. and we will be adding a new Northern European Commodity Committee to our original Paris-based group.

Our message is simple: our ambition is to continue to grow and develop price discovery in European grains, building of course on our historic and deep roots but also looking further afield...different products, solutions, geographies. With this in mind I will be moving to Amsterdam for a few years to get a different perspective, and to look at how we can grow the key commodity hubs further North and further East. Fear not, the MATIF team is firmly based in Paris so you'll be sure to catch Margot, Brian, Vincent or Lionel at all the key events there!

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## PRODUCT UPDATES

### PARIS REAL ESTATE FUTURES: FEE HOLIDAY ON NEW CONTRACT



A new futures contract on residential real estate in Paris is now available for trading, extending the Euronext Commodities product offer to a new asset class. The Paris Real Estate futures contract was launched in early June and is based on a new reference price, the PARISSQM index. Every two weeks, the index publishes the price of a square metre of Paris residential property, based on transactions reported by the Paris Notaries office. The PARISSQM index was developed by Compass Financial Technologies and Kalstone and has been live since May 2018.

The Euronext Paris Real Estate futures contract has standardised requirements, with 1 contract equivalent to 1 sqm (m<sup>2</sup>) and real-time quotation throughout market opening hours. As a cash settled contract, with clearing by LCH SA, this innovative product offers a new solution for investors seeking hedging or exposure on the Paris residential real estate market, without the constraints of physical investment. The contract is accessible to all Euronext Derivatives members with access to the MONEP segment and market participants benefit from a full fee holiday for the first three months of the contract, until 6 September.

More information at [uronext.com/investors/commodities/paris-real-estate-derivatives](https://uronext.com/investors/commodities/paris-real-estate-derivatives)

### MILLING WHEAT DELIVERY BREAKS RECORDS



The Euronext Milling Wheat No. 2 commodities contract was buoyed on 11 March by the largest physical delivery yet of wheat following the expiry of the March 2019 contract. Four different delivery locations were involved in the exchange of 3,515 lots (representing over 175,000 tonnes of wheat). Of the four silos, three were in Rouen: 2,020 lots (101,000 tonnes) at Sénalía, 200 lots (10,000 tonnes) at Socomac, and 499 lots (24,950 tonnes) at Simarex. The fourth silo was at Dunkirk with 796 lots (39,800 tonnes) at Sica Nord Céréales.

The delivery mechanism and convergence at expiry is functioning well, helped by our new Euronext Inventory Management (EIM) system, which has automated the delivery system for our products, making the process easier for our clients. A second stage of the new system scheduled for later this year will further enhance the transparency and security around the delivery of our commodity contracts by introducing digital Euronext warrants as a proof of ability to deliver, replacing storage certificates.

#### **New delivery points for Milling Wheat**

Two new delivery points for Milling Wheat have been appointed for the September 2020 delivery month. These are Sica Atlantique La Pallice, and InVivo at Montoir. Both are already accredited with Euronext as delivery silos for our Corn contract. In addition, from the September 2021 delivery month, the InVivo silo at Nantes will be fully integrated into the Milling Wheat contract delivery network alongside Montoir. An interim warrant mechanism on the buyer's option will be available for the Nantes delivery point from September 2020 to September 2021.

More information at [uronext.com/investors/commodities/milling-wheat](https://uronext.com/investors/commodities/milling-wheat)

## TRADING NEWS

### CERES PROGRAMME: INCENTIVES FOR NEW TRADERS



A new incentive programme on commodities contracts, the Ceres programme, has been available to trading members since December. Through an agreement with LCH SA, Ceres allows programme participants to benefit from discounted trading and clearing fees over a three-year period. The scheme covers all our agricultural commodity futures and options contracts and works on a tiered model. Ceres is a continuation of the New Market Participant (NMP) scheme run by Euronext over previous years. Ceres is open to proprietary traders at Euronext Member firms who are new to the Euronext Commodities markets, and will continue to include traders who joined the NMP programme in 2017 and 2018. Like for the previous NMP programme, candidates are registered and monitored as individual traders.

To find out more about Ceres, see the Info-Flash of [21 December 2018](#) or contact us directly on [commodities@euronext.com](mailto:commodities@euronext.com)

### EURONEXT INVENTORY MANAGEMENT



Euronext Inventory Management continues to work smoothly and has supported the recent large delivery of Milling Wheat and the publication of storage certificate data.

The second stage of the system, which will see the introduction of electronic warrants, remains on track

### OPTIQ® FOR DERIVATIVES NOW OPEN FOR TESTING



Euronext IT teams are planning the next phase of the rollout of our new cutting-edge Optiq® trading technology to the commodity and financial derivatives markets. This next-generation platform will replace the current Euronext Universal Trading Platform (UTP), and is already in place for Euronext Cash Markets. The migration to Optiq will deliver improved performance and predictability and provide maximum flexibility with shorter time-to-market for new products and services.

Optiq for Derivatives is now available for testing by members on our Next-EUA External User Acceptance platform, and the rollout of the technology in Production is scheduled for 25 November 2019. As is usual in these cases, conformance tests are mandatory.

Members and providers can learn more at [www.euronext.com/optiq](http://www.euronext.com/optiq)

### EURONEXT IN GERMANY



We have been increasingly looking into the German market, and very much enjoyed meeting our German clients in Hamburg in April during a workshop event organised with the kind support of CropEnergies. The

for introduction later this year or early next year. This will see a whole range of benefits for those involved in the goods covered by Euronext contracts including those involved in physical trading and commodity financing, in addition to improving the efficiency of our own contracts.

There will be presentations and webinar session for silos, traders, brokers and clearing members and financing banks after the summer break.,

Find out more at:  
[www.euronext.com/for-investors/commodities](http://www.euronext.com/for-investors/commodities)  
 or contact us directly on [commodities@euronext.com](mailto:commodities@euronext.com)

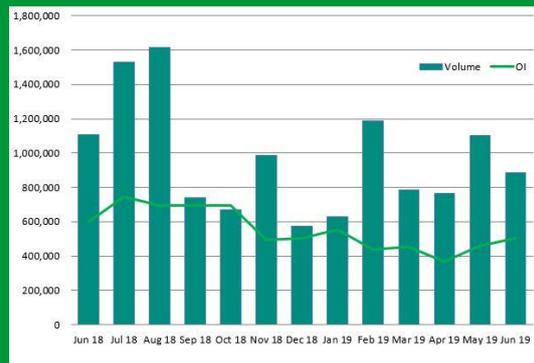
agenda was focused around the possibility of adding new delivery locations in Germany and how to build new liquidity from Germany in the Euronext Commodities markets. The team also presented our Euronext Inventory Management system and the role of the system in improving the Commodities contracts delivery. We look forward to improving our presence in Germany and our relationship with German and Northern European operators.

Download our [contract specifications brochure in German](#), or contact us directly on [commodities@euronext.com](mailto:commodities@euronext.com)

## DATA AND VOLUMES

### The latest on Euronext data and volumes

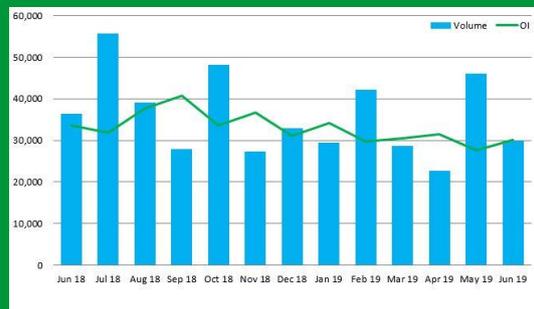
#### Milling Wheat Volumes & OI



#### Rapeseed Volumes & OI



#### Corn Volumes & OI



## CALENDAR

Let's meet up! Euronext commodities representatives like to get out and talk to our customers across Europe and worldwide. We aim to be present at key industry events – in recent months we attended the Bourse de Bruxelles in Ghent, the IGC Grains Conference and GAFTA Dinner in London; the Bourse Maritime La Rochelle, the CeMi in Milan. We continue to hold commodity workshops in different locations.

### Future events:

The Euronext Commodities team will be at the following events in the months ahead:



**Congrès des grains de Dijon-Nancy**  
6 September 2019, Dijon, France



**FIX 10th Nordic Trading Briefing 2019**  
19 September 2019, Stockholm, Sweden



**AGRO PARIS BOURSE**  
**Bourse décentralisée de Chartres**  
20 September 2019, Chartres, France



**AFCOME International Meeting**  
2-4 October 2019, Nantes, France



**59th European Commodities Exchange**  
17-18 October 2019, Vienna, Austria



**Global Grain Geneva**  
12-14 November 2019, Geneva, Switzerland



## Paris Grain Day

30-31 January 2020, Paris, France

### CONTACT OUR TEAM

For more information, contact our team or visit [www.euronext.com](http://www.euronext.com)



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