Trading a calendar spread between the daily and quarterly future replicates basis trading. Market on Close (MoC) T+X allows fully automated and operational efficient basis trading via a calendar spread between the daily expiring and standard target futures.

In a single trade, you can go short the daily and long the quarterly futures, meaning you have paid the basis and the index close – once the daily leg expires. Everything works using just one product and in the same manner as a quarterly roll.

The new solution is the first of its kind and adds flexibility, reduces operational efforts, increases the transparency of the basis and mitigates counterparty risk.

## **KEY ARGUMENTS:**

- Touch the trade only once on the trade date
- Trade entry time is at the time of execution, processed and reported immediately
- No counterparty risk. All legs are directly in the CCP risk framework
- Full flexibility of trading channels: on-screen, EnLight or TES.

# What are the key benefits?



# Flexibility

The new Market on Close (MoC) T+X functionality allows trading MSCI futures as a block trade or via the order book.



### **Ease of execution**

Just trade the calendar between the daily expiry (T, T+1 or T+2) and the standard quarterly futures you want to trade based on close and you're done. All this happens within the same product and not a separate trade for the basis. No clearing operations are needed to book from a basis product into the futures.

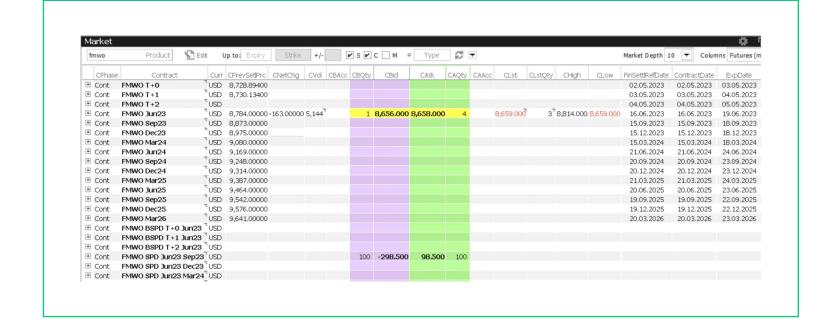


## **Reduced operational efforts**

There's no need for further price confirmations or additional tasks after the index close is available. This also means that each trade only needs to be considered once. This brings the positive side effect that the trade shows the correct trade date, namely when it was initially agreed.

Basis trades can be created and traded through all trading channels: on-screen, EnLight and TES:

- 1 Choose your underlying future (example for MSCI World NTR EUR: FMWN)
- 2 Choose respective calendar spread between e.g., T1 and the respective monthly expiry
- 3 Define trade details inclusive limit orders
- 4 Trade





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