



XETRA

DEUTSCHE BÖRSE
GROUP

Xetra MidPoint

Trade discreetly.
At transparent terms.

Trade Discreetly

Many investors seek enhanced anonymity, especially if large orders are involved. After all, certain volume orders often trigger short-term movements in the markets that prevent optimal execution. Moreover, large orders often allow an undesired insight into the strategy an investor is pursuing at a given point in time. In order to prevent anyone looking over their shoulders, many market participants opt for conducting orders as bilateral deals – and inevitably miss out on the best prices and the security of a duly regulated and supervised market.

Therefore, Deutsche Börse has developed a new functionality to meet the need for discretion. In the form of Xetra® MidPoint, all Xetra participants can now enter their orders in a closed order book and thus be assured of complete anonymity. With all the advantages that exchange trading via the Xetra platform has to offer, for orders executed through Xetra MidPoint count as transactions closed on an exchange. Thus, the price on Xetra MidPoint, designated by the “XM” abbreviation, rates as the exchange price, from a legal viewpoint, too.



At Transparent Terms

Unlike other market places, where liquidity levels are opaque, namely so-called “dark pools”, order execution through Xetra MidPoint is absolutely transparent in regard to pricing. The execution price is always exactly the midpoint between the best bid and the best offer prices in the open Xetra order book. Moreover, investors can rely on Deutsche Börse AG’s independence as the operator of the market place.

Orders can be entered in Xetra MidPoint with or without a limit. Needless to say, additional order instructions can be included to set the parameters, such as “fill-or-kill” or “immediate-or-cancel”. However, XM prices are not reference prices and thus do not trigger stops.



No Added Effort

Xetra MidPoint creates a completely new trading dimension for Xetra participants – yet very little changes when it comes to entering orders in Xetra: This new form of invisible trading does not require either modifications to existing infrastructure nor registration. Xetra MidPoint is simply a new functionality available within the Xetra universe.

Xetra MidPoint at a glance

- Orders exclusively executed together with other Xetra MidPoint orders
- Prioritized execution in terms of volumes/time
- No minimum order sizes
- Participants can trade all equities of the selection indices DAX®, MDAX®, SDAX® and TecDAX®
- A clear distinction between Xetra MidPoint orders and orders in the open order book – thanks to the corresponding designation of the data transferred
- Immediate notification on execution via the existing data distribution channels
- FOK and IOC orders can be used to structure execution
- Order executions do not trigger stops, and also do not lead to updating of the Xetra reference price

- The Xetra MidPoint order price (marked with the additional designator “XM”) is an exchange price and also counts as such in legal terms

The following two examples serve to illustrate the typical sequence of a Xetra MidPoint purchase order – from issuing the order to execution against another Xetra MidPoint order.

Order placement

At 9:03:00 a buy order (no. 3) is placed with a volume of 10,000 and a limit of €17.26.

Order execution

10,000 at €17.22 (order no. 3 against order no. 2)

Explanation

The execution price is precisely the midpoint of the currently valid Xetra bid/offer spread. Order no. 2 has priority over order no. 1 owing to its larger order volume. If order no. 1 and no. 2 were for identical volumes, the priority would be decided by the time stamp. The limit has no bearing on deciding the priority of the orders.

Example: execution in Xetra MidPoint

Current applicable Xetra bid/offer spread is €17.20–€17.24 (MidPoint €17.22)

Closed Xetra MidPoint order book:

MidPoint order no.	Time stamp	Volume	Buy-Limit	Sell-Limit	Volume	Time stamp	MidPoint order no.
3	9:03:00	10,000	17.26	17.18	10,000	9:01:00	1
				17.21	20,000	9:02:00	2

With All the Advantages of Xetra Trading

Deutsche Börse's fully-electronic Xetra trading platform is one of the most powerful securities trading platforms worldwide. About 250 European banks and security trading houses from 18 different countries can trade nearly 400,000 securities listed on the Frankfurt Securities Exchange (equities, certificates, warrants, exchange-traded funds, exchange-traded commodities and funds). Buy and sell orders from

licensed brokers anywhere in the world are matched in a central computer – irrespective of the location.

Xetra offers all the security of a regulated market, and much more: prime liquidity in all equities, transparency, speed and flexibility – irrespective of the investor's geographical location and always at the lowest cost.

Insd	WKN	ISIN	Exch	NetChg	BidCnf	BidQty	Bid	Ask	AskQty	AskCnf	LstPr	Lst
+ ADS	560340	DE9905983004	FFH	-0,026	1	252	119,99	119,79	262	3	118,85	
+ ADH	ADH003	DE990A00H003	FFH								118,60	
+ ALT	769880	DE9907698001	FFH	+0,288	1	186	48,32	48,41	168	1	48,40	
+ ALV	604600	DE9906046005	FFH	-0,248	5	2.386	91,24	91,33	842	2	91,25	1
+ ALVA	560311	US9120911017	FFH								9,34	
+ ALVN	ANDRXW	DE990A0DRXW2	FFH								91,60	
+ BAS	515180	DE9905151005	FFH	-1,588	3	8.558	48,85	48,86	3.657	3	48,86	
+ BASH	AS0KLE	DE990A0KLE3	FFH									
+ BAY	573280	DE9905732008	FFH	+0,100	4	2.256	24,97	24,89	3.800	2	24,88	4
+ BAYA	879501	US9727383028	FFH								24,24	
+ BMW	519860	DE9905198003	FFH	+0,198	2	786	32,45	32,48	1.816	2	32,48	5
+ BMW3	519863	DE9905198007	FFH	+0,028	2	1.481	26,42	26,47	1.862	1	26,28	
+ CBK	803280	DE9908032004	FFH	-0,078	3	5.741	18,97	18,99	229	1	18,99	1
+ CON	543980	DE9905439004	FFH	-0,058	1	1.872	37,81	37,88	2.915	2	37,81	
+ CON4	A0BVW5	DE990A0BVW59	FFH		1	560	55,58	57,90	500	1	56,76	
- DB1	581865	DE9905818055	FFH	-0,158	1	835	58,74	58,20	816	2	58,20	
					2	5.980	58,73	58,21	2.094	1		
					2	488	58,72	58,22	250	1		
					1	186	58,71	58,29	200	1		
					1	2.580	58,70	58,30	1.600	1		
					7	1.987	58,69	58,34	200	1		
					1	1.800	58,61	58,25	666	2		
					1	5.980	58,60	58,41	200	1		
					1	836	57,88	58,42	500	1		
					1	1.870	57,81	58,45	1.070	1		
+ DSK	514880	DE9905148008	FFH	-0,258	4	3.266	84,48	84,48	109	1	84,45	1
+ DSKN	DB0D10	DE990D080104	FFH	-3,938	2	88	58,87				58,67	
+ DCX	718880	DE9907188008	FFH	+0,308	2	5.272	38,26	38,53	1.200	3	38,52	
+ DPW	555200	DE9905552004	FFH	+0,028	1	4.477	18,84	18,86	15.213	5	18,84	
+ DTE	565750	DE9905657508	FFH	-0,058	9	58.222	54,42	54,43	67.729	4	54,43	10
+ DTE1	563254	DE9905632543	FFH									
+ DTEA	879530	US2510881054	FFH	-0,678	1	1.800	14,21	14,53	1.600	1	13,82	
+ FOA	761440	DE9907614408	FFH	-0,298	4	8.343	84,38	84,35	180	1	84,31	
+ FME	578180	DE9905781802	FFH	+0,288	1	132	82,38	82,47	109	1	82,36	



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