With Xetra® EnLight, Deutsche Börse offers a request for quote (RFQ) service for on-exchange execution of large-in-scale (LIS) transactions in equities, ETFs and ETPs. It enables users to take full advantage of Deutsche Börse Group’s complete service chain – from trading, clearing and settlement to trade reporting and market data dissemination. The process is designed to achieve a high degree of automation, while at the same time reducing settlement and counterparty risks and ensuring compliance with best execution requirements for large orders.

**Xetra EnLight workflow**
1. Requesters send a private RFQ to either all registered market makers or to individually selected market makers. Users are able to disclose the name of the commissioning buy side client to requested market makers, if applicable.
2. Requested market makers receive the RFQ and respond with a firm quote which is only visible to the requesting member. The quote can be continuously updated during the RFQ event. Xetra EnLight only allows quotes within a pre-defined price corridor around the current best bid/offer (BBO) of the Xetra order book to ensure price quality.
3. Requesters can accept quotes by either automatically selecting the best quote response of all quote responses or by selecting a single quote response from a specific market maker.
4. Once a quote is accepted, the trade will be automatically routed to Eurex Clearing for clearing and to Clearstream for settlement via the T7 Trade Entry Service (TES).
Introduction of Xetra EnLight

Xetra EnLight will be introduced in Q2 2019 and will be available for equities, ETFs and ETPs. All member firms of FWB will be able to use Xetra EnLight without further registration or additional connectivity requirements. Market makers will have to register on a single ISIN level to receive quote requests for registered instruments.

Xetra EnLight is classified as a “request for quote trading system” under MiFID II. It facilitates off-exchange off-order book transactions and operates under the large-in-scale pre-trade transparency waiver. Trade publication is deferred in accordance with the corresponding rules defined by MiFID II.

Planned enhancements of Xetra EnLight include a unique smart RFQ feature which will support requesters by identifying additional quote providers for requested instruments based on historical trading and post-trade data.

The most important advantages at a glance:

- Optimized on-exchange off-order book price formation for large-in-scale transactions
- Cost-effective straight-through processing, clearing and settlement of all transactions
- Central counterparty clearing provides settlement netting with both on- and off-order book transactions, failed trades management and client asset protection services
- Fully compliant with MiFID II, including best execution requirements
- Automated trade reporting, deferred trade publication and market data dissemination
- Comprehensive audit trail functionality allows for improved compliance control
- Trading is monitored by Trading Surveillance Office to protect users from abusive market practices

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