

part of eex group



ECC MARGIN PARAMETERS FILE SPECIFICATION

04.06.2008
Leipzig

Ref. 001

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1. DESCRIPTION OF THE MARGIN PARAMETERS FILE

1.1 Overview

The margin parameters file consists of the following fields:

Field	Format (length)
PRODUCT_ID	CHAR (4)
CURR	CHAR (3)
MARGIN_CLASS	CHAR (4)
UNDERLYING	CHAR (4)
AMP	DECIMAL (1)
AMP_TYPE	CHAR (1)
SMP	DECIMAL (2)
EMF	DECIMAL (2)
SOA	DECIMAL (2)
MARGIN_GROUP	CHAR (4)
OFFSET_FACTOR	DECIMAL (2)

1.2 Field description

- **PRODUCT_ID:** This field indicates the product type by a unique ID (shortcode).
- **CURR:** This field indicates the currency, in which the product is listed (e.g. EUR for Euro, USD for US dollar).
- **MARGIN_CLASS:** This field indicates the margin class the product belongs to by a unique ID.
- **UNDERLYING:** This field states the underlying in case the underlying is derivative (e.g. F1BY is the underlying for O1BY).
- **AMP:** AMP (= Additional Margin Parameter) specifies the size of the Additional Margin Parameter. The unit of the parameter is equal to the price unit of the corresponding product (e.g. '4.50' of the product F1BY stands for € 4.50 per MWh).
- **AMP_TYPE:** This field specifies the type of the AMP, "A" indicates an absolute value, "R" indicates a relative value.
- **SMP:** SMP (= Spread Margin Parameter) specifies the size of the Spread Margin Parameter. All numbers indicate an absolute value. The unit of the parameter is equal to the unit of the corresponding product (e.g. '0.40' of the product F2PE stands for € 0.40 per t).

- **EMF:** EMF (= Expiry Month Factor) specifies the size of the Expiry Month Factor. All numbers indicate an absolute value. (e.g. '2.0' means that the AMP is multiplied by 2.0 during the delivery period of a contract).
- **SOA:** SOA (= Short Option Adjustment) specifies the size of the Short Option Adjustment. The Short Option Adjustment determines the minimum value of the out-of-the-money-minimum. The out-of-the-money-minimum considers an increase of the implied volatility when determining the margin requirement of short options that are far out of the money.
- **MARGIN_GROUP:** This field indicates the margin group the product belongs to by a unique ID.
- **OFFSET_FACTOR:** This field indicates the size of the offset factor of a margin group. Each margin group is parameterized by one offset factor. This factor indicates which portion of a margin credit of a margin class is set off against margin requirements of other margin classes within one margin group.