

Periodic Auctions Book

Lit Book Dedicated to Intra-Day Auctions

European Equities

The Periodic Auctions book was built to provide a reliable place to execute orders within the Cboe EBBO (in most cases calculated using Cboe's BXE and CXE order books, the primary market and Turquoise). This lit order book is characterised by a true price formation mechanism and execution allocation that rewards larger orders.

Cboe's Periodic Auctions book is a MiFID II compliant lit order book providing pre-trade transparency, as stipulated by MiFID II in accordance with RTS 1, by publishing price and indicative execution quantity of the order book prior to executing orders.

The Cboe Periodic Auctions book is comprised of and based on long-standing market constructs and guiding principles.

In Brief | How It Works

See the reverse for more detailed descriptions.

- > Orders are accepted from 08:00-16:30
- > Auction call phases and auction match instances occur randomly throughout the day
- > Auction call phases are triggered by order entry and continue as other orders are entered into the book
- > Size and price messages are published in real time
- > True price formation process follows industry standard four step tie-breaker method
- > All orders from the call phase are included in the price formation process
- > Brokers can optionally choose the broker preferencing attribute, which provides priority in the execution allocation phase
- > Orders are only executed at or within a Cboe EBBO collar to ensure orderly markets

In Detail | How It Works

Order Types	What orders are accepted?	True Price	When does the price formation process occur?
	➤ Limit Order	Formation	> It begins immediately when the call phase ends and occurs
	> Market Order		every time there is an order book event
	Mid-EBBO Pegged Order		Which orders does it apply to?
	Can different order types match?		 All orders in the order book contribute to the industry standard
	All order types can match against any other order type		price formation process
	 Buy and sell orders are submitted individually and separately. 		F
	There is no ability to submit a pair of orders.		How does the price formation process work?
Call Phase	When does the call phase start and end?		> The match price is chosen using a four step tie-breaker
	It commences upon receipt of the first order and continues as		process. The price does not default to mid-point reference.
	other orders are entered into the book		> Orders can trade at any price up to their limit price
	> It ends randomly within a maximum defined duration		> The price is checked to be within the EBBO collar to maintain
	> The maximum duration of an auction is 100ms		orderly markets
	What steps are taken to ensure orderly markets?		What are the criteria and the sequence?
	> Auction call durations are randomised		1 Maximum executable volume
	> There is no known minimum duration to deter those looking		2 Minimum surplus
	for liquidity information without risk of execution		3 Market pressure
Pre-Trade	What is shown on the market data feed?		4 Reference price
Transparency	During the Call Phase, indicative uncrossing size and price		For more details on each step, please read our Guidance Note.
	messages	Allocation	How are orders allocated?
	> Follows exactly what is required by RTS 1 for pre-trade		Order allocation uses Broker Preferenced (where selected),
	transparency for periodic auctions		price, size and time priority—in that order
	> The trades are published immediately post-auction match		Residual from Broker Preferenced orders is reprioritised based
	How often is a message published to the market data feed?		on their residual volume
	> Size and price messages are published in real time		> The Broker Preferenced feature is optional and refers to single
			broker paired transactions

It's as Easy as a FIX Tag to Participate

Existing Participants connected to BXE can enter orders into the book by simply using FIX tag 9303=BP. Participants can leverage the same clearing arrangements, connectivity and FIX or BOE ports for order entry for the Periodic Auctions book.



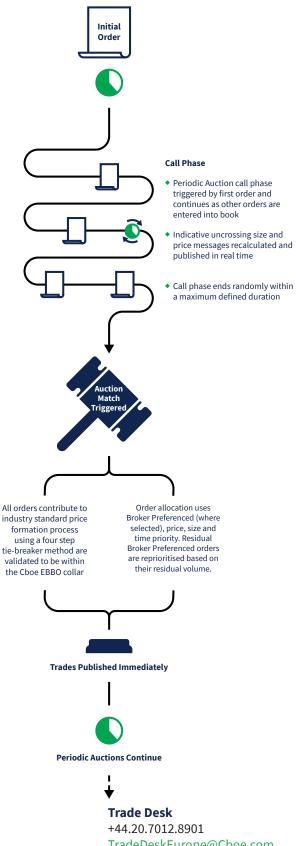




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