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13 Aug 2019

## GC Pooling Cheapest-To-Deliver Basket – bridging the gap between the futures and the funding & financing markets

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**With its GC Pooling Cheapest-To-Deliver (CTD) Basket Eurex Repo introduced new trading opportunities to customers as of 12 August. We spoke to Manan Wagishauser, Business & Product Development, Eurex Repo, about the background of this new product and what opportunities it offers to our clients.**

### **What is the need of having a new GC Pooling Cheapest-To-Deliver Basket and how does it fulfil this need?**

When futures expiry dates are approaching investors look out for the cheapest-to-deliver bonds on the market to fulfil their delivery obligation. To avoid penalties in case of non-delivery, clearing members try to get the CTD bonds already between three to ten days prior to the delivery day. Consequently, the CTDs are warehoused and financed through their internal treasury.

The new GC Pooling CTD Basket enables clearing members to finance the CTDs in a secure and ring-fenced environment. The CTDs will be transferred on time on the delivery day to the right settlement account to fulfil the futures delivery obligations.

### **Which customers do you have in mind for the new Basket?**

With the new Eurex Repo GC Pooling CTD Basket we are connecting the client clearing business with 150 Tier 1 Banks and a growing buy side.

### **What are the main benefits for these customers?**

The provided solution ensures a safe and secure financing of the CTD bonds, reducing financing costs for the futures client clearing business and a funding possibility for the sell side with attractive rates.

The new service confirms the value proposition of our integrated fixed income, funding and financing approach by linking the derivatives and repo markets.

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## Further information

[Watch out for 12 August: Eurex Repo introduces new opportunities to the market](#)

[Functional Information: Introduction of the new GC Pooling Cheapest-To-Deliver \(CTD\) Basket](#)

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