



eurex clearing *circular 095/17*

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Recipients: All Clearing Members of Eurex Clearing AG and Vendors
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Regulatory requirements for monitoring of portfolio diversification and margin offsets

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Content may be most important for:

- Ü Middle + Backoffice
- Ü Auditing/Security Coordination

Attachments:

none

Eurex Clearing offers its Members reliable margin levels with Prisma a transparent and risk-sensitive methodology while also providing opportunities for greater capital efficiencies and risk netting by applying a portfolio based approach.

According to the "Commission Delegated Regulation (EU) No 153/2013", the amount of margin reductions shall be no greater than 80 percent in a portfolio (see article 27 - Portfolio Margining (4)). The European Securities and Markets Authority (ESMA) has published its opinion on portfolio margining requirements under Article 27 - Portfolio Margining (4) on 10 April 2017, providing further clarifications on the calculation of portfolio margining offsets as well as setting out the implementation timeline.

Starting from **29 September 2017**, Eurex Clearing will modify its existing monitoring processes to ensure continued compliance with regulatory requirements.

Clearing Members will be contacted when the 80 percent limit is exceeded and will be informed about the corresponding account, liquidation group and the supplementary margin that will be required from the Clearing Member in order to ensure compliance. Corresponding amounts will be booked in the margin class SUMMV.

Eurex Clearing will contact its Clearing Members who are expected to exceed the 80 percent threshold prior to the date any supplementary margin is charged.

