clear to trade

eurex clearing
circular 091/17

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Recipients: All Clearing Members of Eurex Clearing AG and Vendors
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⚠ **Action required**

Prisma: Update of Stress Period VaR component parameters, effective 9 October 2017

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Content may be most important for:

- Ü Front Office/Trading
- Ü Middle + Back office
- Ü IT/System Administration

Attachments:
none

Summary:

As part of regular review, Eurex Clearing recalibrated the stress period parameters used in its Prisma model for margining of OTC and Exchange Traded Derivatives.

Effective **9 October 2017,** the parameterisation of the stress periods will be adjusted for all Prisma liquidation groups. The adjustment will affect

- Stress period scenarios
- Weighting factors and anchor confidence levels of stress period VaR components

The modified parameters are included in this circular and will be incorporated in the transparency enabler files on the effective date.

Prisma: Update of Stress Period VaR component parameters, effective 9 October 2017

The following table contains the new stress periods:

Liquidation group	Stress periods
PEQ01	20050311-20050315, 20050525-20050630, 20081002-20090428, 20100514-20100611, 20110831-20110915, 20110920-20111010, 20111025-20111109, 20150120-20150130, 20150720-20150727, 20150825-20150827
PFI01	20060224-20060307, 20061130-20061227, 20070219-20070314, 20081006-20081106, 20081210-20081231, 20090105-20090116, 20090317-20090423, 20110808-20110825, 20110902-20120104, 20130117-20130122, 20140829-20140915, 20150929-20151016
OTC IRS & (PFI01/OTC IRS) Cross Margining	20080714-20080718, 20081002-20090323, 20090420-20090424, 20090529-20090702, 20110812-20110922, 20111027-20111116, 20111220-20120110, 20130103-20130123, 20160620-20160715
PPM01	20060508-20060802, 20080117-20080201, 20080605-20080620, 20080912-20090508
PCM01	20060517-20060718, 20080916-20090323, 20100825-20100906, 20120319-20120418, 20130206-20130411
PPR01	20051222-20060104, 20060328-20060407, 20060626-20060706, 20071126-20071206, 20071224-20080108, 20080923-20081003, 20081028-20081107, 20081124-20081204, 20081222-20090106, 20090126-20090205, 20090401-20090423, 20090601-20090702, 20090715-20091001, 20091029-20091113, 20140606-20140807, 20160222-20160303
PAC01	20080122-20080220, 20080915-20090318, 20090427-20090527, 20110812-20110916, 20111205-20120102, 20120730-20120814, 20150408-20150427, 20150514-20150519
PGE01	20050615-20050803, 20050905-20060103, 20060119-20060213, 20081202-20090107, 20150513-20150723, 20160623-20160809
PFX01	20050310-20050321, 20050530-20050608, 20050620-20050705, 20071129-20071212, 20080228-20080409, 20081003-20081006, 20081020-20090416, 20110707-20110803, 20110901-20110914, 20160620-20160727

The table below shows the updated weighting factors and anchor confidence levels for the stress periods:

Liquidation group	**Risk horizon**	**Simulation type**	**Number of scenarios**	**Robust anchor level**	**Robust anchor upscaling factor**	**SP VaR downscaling factor**
PEQ01	3	Stress	252	93.64%	1.0000	1.00
PFI01	2	Stress	250	96.05%	1.0000	1.00
OTC IRS & (PFI01/OTC IRS) Cross Margining	5	Stress	250	93.52%	1.0000	1.00
PPM01	3	Stress	252	93.28%	1.0000	1.00
PCM01	3	Stress	252	94.48%	1.0000	1.00
PPR01	3	Stress	252	92.80%	1.0000	1.00
PAC01	2	Stress	250	93.64%	1.0000	1.00
PGE01	2	Stress	250	96.05%	1.0000	1.00
PFX01	2	Stress	250	93.48%	1.0000	1.00

For more information please contact Risk Control on tel. +49-69-211-1 24 52, fax +49-69-211-1 84 40 or e-mail risk@eurexclearing.com.

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