clear to trade

eurex clearing *circular 153/16*

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Recipients: All Eurex Clearing Members of Eurex Clearing AG and Vendors
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EurexOTC Clear New Service: Clearing of OTC FX Swaps, OTC FX Spots and OTC FX Forwards; Introduction of EurexOTC Clear Release 7.1

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Content may be most important for:

➲ All departments

Attachment:

EurexOTC Clear Release 7.1 Information Schedule

Summary:

With this circular, Eurex Clearing would like to inform all market participants that it is cooperating with 360T. With this cooperation EurexOTC Clear Service plans to introduce the clearing OTC FX Swaps, OTC FX Spots and OTC FX Forwards (henceforth referred to as "OTC FX") in currency pairs EUR/USD and GBP/USD.

Eurex Clearing plans to attain technical production readiness, as part of EurexOTC Clear Release 7.1, on **15 May 2017**, i.e. technical connectivity to the production environment will be available at that point.

The introduction of OTC FX products in production is subject to and will follow regulatory approval.

With EurexOTC Clear Release 7.1, Eurex Clearing further plans service enhancements for Interest Rate Swaps such as de-couple interdependencies between netting levels and OTC report enhancements. Those enhancements will be delivered in production on **15 May 2017** as well and in simulation on **5 April 2017**.

EurexOTC Clear New Service: Clearing of OTC FX Swaps, OTC FX Spots and OTC FX Forwards; Introduction of EurexOTC Clear Release 7.1

With this circular, Eurex Clearing would like to inform all market participants that it is cooperating with 360T. With this cooperation EurexOTC Clear Service plans to introduce the clearing OTC FX Swaps, OTC FX Spots and OTC FX Forwards (henceforth referred to as "OTC FX") in currency pairs EUR/USD and GBP/USD. Execution takes place on the 360T trading platform, cleared by Eurex Clearing and settled in the CLS CCP Service, a new service developed by CLS for CCP settlements.

Eurex Clearing plans to attain technical production readiness, as part of EurexOTC Clear Release 7.1, on 15 May 2017, i.e. technical connectivity to the production environment will be available at that point.

The introduction of the OTC FX products in production is subject to and will follow regulatory approval.

All functional changes will be reflected in the upcoming release documents, which will be published according to the attached "EurexOTC Clear IRS Release 7.1 – Information Schedule".

Technical enhancements to support OTC FX products

- *EurexOTC Clear GUI and Margin Calculator GUI Enhancement*

  The EurexOTC Clear GUI and Margin Calculator GUI will be enhanced to support the new service and products.

- *New OTC Reports and Report Enhancements*

  Structural changes to reports and FpML messages, to easier reflect future introductions of new products, licenses and currencies, have already been introduced with Release 7.0. As part of EurexOTC Clear Release 7.1, Eurex Clearing will start to populate existing reports with OTC FX-related content and will introduce new reports to support OTC FX products. Only Members interested to be setup for the new service need to update their report system processing with the enhanced and newly introduced reports/report XSDs.

Other functional and technical changes introduced with EurexOTC Clear Release 7.1

With EurexOTC Clear Release 7.1, Eurex Clearing further plans service enhancements for Interest Rate Swaps such as

- de-couple interdependencies between netting levels e.g. allow Members to use basic (Level 1) and rate blending (Level 3) without having to apply fee netting (Level 2)
- OTC report enhancements (e.g. sorting in reports, report tag "LiquidationGrp Name" naming convention alignment, new field in report CC203 stating the trade status)

Those enhancements will be delivered in production on 15 May 2017 and in simulation on 5 April 2017. Please note that these functions and services might have an impact on Members' internal processes. Therefore, it might be necessary for Members to update their internal processes and interfaces. In case of cooperation with back office vendors, Members should contact their third-party providers as soon as possible so that the necessary adaptations can be made in time. Further details will be provided in the Functional Release Notes/ IRS, which will be published early February 2017.

Simulation

The new OTC FX service and other changes, introduced with Release 7.1 will be available in simulation according to the following timeline:

Date/Phase	Part	Scope	Impact
Phase I: **20 February 2017/ 22 February 2017 (start of simulation)**	OTC Release 7.1/ FX	Availability of OTC FX products in Eurex Clearing simulation environment, connectivity to 360T	Members (interested in OTC FX) need to provide a completed Static Data Form; Members need to update their systems (e.g. report processing) with newly introduced values
Phase II: **3 April 2017/ 5 April 2017 (start of simulation)**	OTC Release 7.1/ other products (IRS etc.)	Availability of other changes introduced with OTC Release 7.1.	Members need to update their system (e.g. report processing, FpML processing) in order to be able to handle the introduced changes
Phase III: **Early beginning of April 2017**	OTC Release 7.1 /FX Part	Availability of CLS CCP Service in simulation/JAS	Members (interested in OTC FX) need to provide Static Data Form incl. CLS Static Data and need to prepare their systems to process CLS/Eurex Clearing messages

With the availability of all test/simulation environments in phase III incl. connectivity to 360T and CLS (JAS), Eurex Clearing ensures effective and transparent governance as well as effective and efficient testing possibilities to enable Clearing Members to be prepared for the introduction of the new service.

Eurex Clearing recommends Clearing Members to participate actively in this simulation phase and offers extensive support during preparation and simulation. Members interested in this new service are asked to provide the “EurexOTC Clear Currency Products Static Data Form for Clearing Member (incl. the Appendix Clearing Member Static Data Collection for CLS Eurex Clearing Service JAS)” by end of January 2017. Please contact your Key Account Manager at Group Client Key Account Management Clearing for individual support.

Overview of published documents and EurexOTC Clear Newsflash

An overview of documents which will be updated in connection with the introduction of EurexOTC Clear Release 7.1 can be found in the document “EurexOTC Clear IRS Release 7.1 – Information Schedule“, which is attached to this circular.

The following documents are already updated and published in the Member Section of the Eurex Clearing website www.eurexclearing.com:

Name of document/path
• EurexOTC Clear Report Manual • EurexOTC Clear Sample Reports & XSDs **Member Section > Technology > EurexOTC Clear > OTC Release 7.1 > EurexOTC Clear Reports**
• FpML Margin Calculator Interface XSD and Samples for Simulation • FpML Margin Calculator Interface Specification • FpML API XSD and Samples for Simulation • FpML API Interface Documents **Member Section > Technology > EurexOTC Clear > OTC Release 7.1 > Eurex Clearing FpML Interface**

All documents can be downloaded from the Member Section of the Eurex Clearing website under the following path:

Member Section > Technology > EurexOTC Clear > OTC Release 7.1

Eurex Clearing uses the EurexOTC Clear simulation newsflash as a regular information channel in order to support your simulation and preparation activities for EurexOTC Clear releases. With the newsflash, Eurex Clearing informs about general simulation issues, simulation-specific behaviours, known limitations as well as any documentation updates (e.g. publication of functional and technical documents). In this context and if not already done, we kindly ask you to nominate a project coordinator responsible for EurexOTC Releases.

Please add the contact details in the Member Section of the Eurex Clearing website under the path:

Member Section > Contacts > Your internal contacts > Release Contacts

Please do not hesitate to contact Group Client Services & Administration at tel. +49-69-211-1 17 00 or send an e-mail to memberservices@eurexclearing.com if you have any questions related to the above.

22 December 2016

Action	EurexOTC Clear Release 7.1 Information Schedule	Q 4 2016			Q I 2017			Q 2 2017			Publication Date FX	Publication Date IRS
		10/2016	11/2016	12/2016	01/2017	02/2017	03/2017	4/2017	05/2017	06/2017		
Milestone	Announcement EurexOTC Clear			❍□							22/12/2016	01.08.2017
Release Update	EurexOTC Report Manual - final version			❍		□					22/12/2016	02.06.2017
Release Update	EurexOTC Clear Sample Reports & XSD - Updated and New Reports - final version			❍		□					22/12/2016	02.06.2017
Release Update	FpML Margin Calculator Interface XSD and Samples for Simulation			❍			□				22/12/2016	03.06.2017
Release Update	FpML Margin Calculator Interface Specification			❍			□				22/12/2016	03.06.2017
Release Update	FpML API XSD and Samples for Simulation			❍			□				22/12/2016	03.06.2017
Release Update	FpML API Interface Documents			❍			□				22/12/2016	03.06.2017
Release Update	EurexOTC Clear Simulation Guide				❍		□				01.08.2017	03.06.2017
Release Update	EurexOTC Clear Static Data Form for Simulation				❍						01.08.2017	-
Release Update	EurexOTC Clear Functional Release Notes - final version				❍	□					01.08.2017	02.06.2017
Release Update	EurexOTC Clear GUI User Guide				❍□						01.08.2017	01.08.2017
Release Update	Margin Calculator Trade Template Field Description				❍□						01.08.2017	01.08.2017
Release Update	Margin Calculator User Guide + Templates				❍□						01.08.2017	01.08.2017
Release Update	EurexOTC Clear Risk Methodology Description - Programming Version					❍□					02.06.2017	02.06.2017
Milestone	Start of FX Release 7.1 Simulation					22.02.2017						
Release Update	Admission & On boarding forms*						❍*				03.06.2017	
Milestone	Start of IRS Release 7.1 Simulation							05.04.2017				
Milestone	Technical Go Live Production								15.05.2017			
Release Update	EurexOTC Clear Product list							□	❍*		04.02.2017	05.04.2017
Release Update	EurexOTC Clear Procedures Manual*							□	❍*		04.02.2017	05.04.2017
Milestone	Production Announcement*							□	❍*		04.02.2017	05.04.2017
Release Update	Clearing Conditions*							□	❍*		04.02.2017	05.04.2017
Milestone	Product Activation*									❍*		06.04.2017

Action	Update of Eurex Clearing classic system documentation	Q 4 2016			Q I 2017			Q 2 2017			Date FX	Date IRS
		10/2016	11/2016	12/2016	01/2017	02/2017	03/2017	4/2017	05/2017	06/2017		
Update	FSS member (message) communication document				❍						01.08.2017	-
New	Eurex Report Manual (++Preliminary CLS Settlement Report,End of Day CLS Settlement Report)				❍						01.08.2017	-
New	Sample Swift Messages				❍						01.08.2017	-

* publication dates are dependent on and subject to regulatory approval

❍ Update for FX

□ Update for IRS