clear to trade

eurex clearing *circular 038/17*

Date: 24 April 2017
Recipients: All EurexOTC Clear Clearing Members and Registered Customers of Eurex Clearing AG and Vendors
Authorized by: Thomas Laux

EurexOTC Clear IRS Release 7.1: Production launch announcement

Related Eurex Clearing circular: 153/16

Contact: Your Clearing Key Account Manager

Content may be most important for:	**Attachment:**
➲ All departments	Readiness Statement for EurexOTC Clear Release 7.1

Summary:

Eurex Clearing hereby announces the production launch of EurexOTC Clear Release 7.1 on **15 May 2017**. For a description of the changes that will be introduced with EurexOTC Clear IRS Release 7.1, please refer to Eurex Clearing circular 153/16 and to the "EurexOTC Clear Functional Release Notes - OTC IRS".

Please note that the functions and services introduced with this release will have an impact on interfaces and reports of Eurex Clearing.

With reference to the General Terms and Conditions to the Agreement on Technical Connection to the Clearing EDP of Eurex Clearing AG (Eurex Clearing) (Connection Agreement), we kindly request Eurex Clearing Members to complete and return the Readiness Statement at the latest **by Friday, 12 May 2017**.

Furthermore, Eurex Clearing is updating the Prisma Margin Estimator Library (PME) to ensure the functionality of the PME after the changes introduced with its EurexOTC Clear Release 7.1 and Prisma 5.1.

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EurexOTC Clear IRS Release 7.1: Production launch announcement

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Please note that the functions and services introduced with this release will have an impact on interfaces and reports of Eurex Clearing.

The following overview contains essential information regarding the documents, which will be published beginning of May 2017 in the Member Section of the Eurex Clearing website www.eurexclearing.com:

Published documents	
Action	**Name of document/path**
Release Update	• EurexOTC Clear Procedure Manual - IRS / FX • EurexOTC Clear Product List - IRS / FX • EurexOTC Clear Risk Methodology Description - FX **Member Section > Technology > EurexOTC Clear > OTC Release 7.1 > Overview and Functionality**

1. Functional and technical changes for OTC IRS

Eurex Clearing is extending its EurexOTC Clear Service for IRS by introducing functional and system changes with OTC Release 7.1. As of 15 May 2017, the following changes will be available to Clearing Members and Registered Customers:

Functional changes:

- Eurex Clearing is de-coupling interdependencies between netting levels in order to allow Members rate blending (Level 3) without having to apply fee netting (Level 2). The account attribute "Exclude FeeNetting" can be maintained in the EurexOTC Clear GUI and the set-up options can be as followed: marked with "Y": exclude trades with fees from netting or marked with "N": include also trades with fees in netting (Default Setting).

Report enhancements:

- New field in reports CC203 and CC222, stating the trade status
- Report tag "LiquidationGrp Name", naming convention alignment
- Additional creation of reports CI201 and CB200 as soon a trade is newly transferred after closing of an auction (trade transfer in the Default Management Process)

2. Production preparation tasks

Please note that the functions and services introduced with this release (such as reports and FpML messages) will have an impact on interfaces of Eurex Clearing. In order to prepare for the start of the production, please update your systems (e.g. for report processing) with the newly created schemas (e.g. report XSDs), valid for the EurexOTC Clear IRS Release 7.1 as of 15 May 2017 (start of business).

Please note: After batch processing on Friday, 12 May 2017, reports will be created based on EurexOTC Clear Release 7.0 formats. Intraday and End of Day reports that are created on Monday, 15 May 2017, start of business, will be created based on EurexOTC Clear Release 7.1 formats.

A set of changed XSDs has been made available for download in the Member Section on the Eurex Clearing website www.eurexclearing.com under the following path:

Member Section > Technology > EurexOTC Clear > OTC Release 7.1 > EurexOTC Clear Reports > EurexOTC Clear Sample Reports & XSD - Updated and New Reports

3. Readiness Statement

With reference to the General Terms and Conditions to the Agreement on Technical Connection to the Clearing EDP of Eurex Clearing AG (Eurex Clearing) (Connection Agreement), we kindly request Eurex Clearing Members to complete and return the Readiness Statement at the latest by **Friday, 12 May 2017**.

The Readiness Statement is available for download in the Member Section of Eurex Clearing website under the following path:

Member Section > Technology > EurexOTC Clear > OTC Release 7.1 > Overview & Functionality

4. Clearing of OTC FX Swaps, OTC FX Spots and OTC FX Forwards

With Eurex Clearing circular 153/16, Eurex Clearing informed that it is cooperating with 360T and 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.

As part of EurexOTC Clear Release 7.1, Eurex Clearing attains technical production readiness on 15 May 2017. The introduction/activation of the OTC FX products in production is subject to and will follow regulatory approval. The introduction/activation will be announced via a separate circular after receiving the regulatory approval. In this context, admission forms and other on boarding relevant information will be provided on time.

Nethertheless with the technical activation on 15 May 2017, the following reports will contain OTC FX data in already existing fields:

RPT Code	Report	Format	File name	Remarks
CC210	Interest Rate Curves Report	csv	Curve ID	For FX Curves: <CurveCurrency>.<BasisDiscountCurveCurrency>_COLL.1D Spot rates: FX.<CurveCurrency>.<BasisDiscountCurveCurrency>
			Value Type	Specific type of interest rate: S – Discount factor (mid), Expected Inflation index level (mid) and current inflation fixings for ZCIS, FX spot rate Z – Zero rate (mid)
CC220	Liquidity Table	csv	Product Type	For FX: FX
			Currency	For FX: Hedge swap currency pair, possible values: EUR_USD, GBP_USD
			Maturity	For FX: empty
			Liquidity Set ID	For FX: 5
CC221	Parameter File	csv	Liquidation Group String	For FX: Always filled with PFX01

5. Eurex Clearing Prisma Margin Estimator

Eurex Clearing is updating the Prisma Margin Estimator Library (PME) to ensure the functionality of the PME after the changes introduced with its EurexOTC Clear Release 7.1 and Prisma 5.1.

For preparation of the introduction, the document "Eurex Clearing Prisma Margin Estimator Release Notes" has been published for download in the Member Section on the Eurex Clearing website under the following path:

Member Section > Risk & Collateral Management > Eurex Clearing Prisma Margin Estimator PME > Information & Contacts

If you have any questions or comments to this topic, please do not hesitate to send an e-mail to prisma-calculator@eurexclearing.com.

Please do not hesitate to contact your Clearing Key Account Manager if you have any general questions or need additional information related to the above.

24 April 2017