clear to trade

# eurex clearing *circular 060/10*

**Date:** Frankfurt, August 26, 2010
**Recipients:** All Clearing Members of Eurex Clearing AG and Vendors
**Authorized by:** Peter Reitz

⚠ **Action required** ⚠ **High priority**

## Acceptance of Xetra®-Gold as Collateral

**Related Eurex Clearing Circular:** 058/10
**Related Eurex Circular:** 154/10

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| **Content may be most important for:** | **Attachments:** |
|---|---|
| Ü Middle + Backoffice<br>Ü IT/System Administration<br>Ü Auditing/Security Coordination | none |


**Summary:**

Effective **August 27, 2010**, the Executive Board of Eurex Clearing AG decided to extend the admissible Eurex Clearing collateral to include Xetra-Gold® (ISIN: DE000A0S9GB0).

An updated overview of deliverable collateral types including weighting parameters (minimum haircut and yield shift) defined per collateral group for the calculation of dynamic haircuts will be published on the Eurex Clearing website as of August 27, 2010 under the following path:

**www.eurexclearing.com > Risk Management > Risk Parameters**



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Jürg Spillmann, Thomas Book,
Gary Katz, Michael Peters,
Peter Reitz

Aktiengesellschaft mit Sitz in Frankfurt/Main
HRB Nr. 44828
Amtsgericht Frankfurt/Main

# Acceptance of Xetra®-Gold as Collateral

Effective August 27, 2010, the Executive Board of Eurex Clearing AG decided to extend the admissible Eurex Clearing collateral to include Xetra-Gold® (ISIN: DE000A0S9GB0).

Thus, Eurex Clearing continues consequently the chosen path of extending the basis of accepted collateral for its Members' benefit. In this context, we would also like to refer to the introduction of futures and options on Xetra-Gold® which will be available for trading as of September 28, 2010.

Xetra-Gold® is a euro-denominated zero-coupon bond issued by Deutsche Börse Commodities GmbH which has been traded since its introduction in December 2007 on Xetra®, the pan-European cash market platform of Deutsche Börse AG. An investor in Xetra-Gold® may at any time request delivery of the certificated amount of gold from the issuer. Should the investor be prevented in accepting delivery of the gold due to valid legal restrictions he may request the payment of Xetra-Gold® in cash.

By accepting Xetra-Gold® as collateral, Eurex Clearing adds the new asset class of commodities to its eligible collateral. Although Xetra-Gold® is legally considered a debt security, its risk profile is that of a security. However, with regard to haircut calculation, Xetra-Gold® will have a haircut of **15 percent**.

For collateral evaluation, **85 percent** of the resulting amount based on the current Euro price per gram multiplied by the amount of Xetra-Gold® certificates deposited as collateral will be accepted as collateral for Eurex Clearing AG.

Accordingly, Xemac®, the Collateral Management System of Clearstream Banking AG, will accept Xetra-Gold® as collateral in the near future.

An updated overview of deliverable types of collateral as well as the weighting parameters (minimum haircut and Yield Shift) defined per collateral group for the calculation of dynamic haircuts will be published on the Eurex Clearing website as of August 27, 2010 under the following path:

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Frankfurt, August 26, 2010