clear to trade

eurex clearing
circular 252/08

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Recipients: All Clearing Members of Eurex Clearing AG and Vendors
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Admissible Collateral Securities: Update of Parameters

Related Eurex Circulars: 184/08

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Content may be most important for:

- Middle + Backoffice
- Auditing/Security Coordination

Attachments:
Admissible Collateral Securities effective October 23, 2008

Eurex Clearing AG will amend the parameters for Admissible Collaterals effective the batch run on **October 23, 2008**.

The attachment comprises an overview of these parameters (*minimum haircut, yield shift*) per security type, which are the basis for the dynamic calculation of the collateral haircuts.

Moreover, Eurex Clearing AG decided to generally exclude the instruments of ECB Liquidity Category IV from the Admissible Collateral Securities at Eurex Clearing AG. Thus, the instruments with Security Type Code “BABS” will only be accepted until October 31, 2008. Thereafter the instruments with Security Type Code “BABS” will carry a haircut of 100%, which leads to the non-valuation of these securities in risk calculation.

Clearing Members having pledged those kinds of instruments as collateral at Eurex Clearing AG are asked to exchange them by end of October 2008.

Attachment to Eurex circular 252/08

Admissible Collateral Securities effective October 23, 2008

Collateral Type	Currency	Admission Criteria	Security Sub-Group	Security Type Code	Minimum Haircut *(old values in parenthesis)*	Yield Shift			
						Yield Shift = (Market Price Risk + Credit Risk) x Liquidity Risk			
						Yield Shift	Market Price Risk	Credit Risk	Liquidity Risk
Bond Collateral	EUR, DEM	1) Marketable assets as announced by ECB 2) ECB Liquidity Category I-III 3) Issuer <> Clearer 4) Exchange listing & price (except Bubills) 5) Admissible proportion of the issued capital is 25%	Government and Short Term Issues (Bubills) Bonds	BBUN	**3,0%** (2,4%)	0,8%	0,80%	0,00%	1,0
			State Issues	BLAN	**3,0%** (2,6%)	0,8%	0,80%	0,00%	1,0
			City and Municipality Bonds	BSTA	**6,2%** (3,5%)	2,7%	0,80%	1,85%	1,0
			State Agencies	BAGE	**10,0%** (3,5%)	2,7%	0,80%	1,85%	1,0
			Corporates & Other Bonds	BIND, BOTH	**19,7%** (14,4%)	7,0%	0,80%	4,15%	1,4
			Bank Bonds	BBAK	**19,5%** (12,2%)	3,8%	0,80%	3,00%	1,4
			Bonds issued by distressed issuers; **Securities with Security Type Code BABS (only until 31.10.08)**	BAHB, BABS	**27,0%** (15,0%)	9,9%	0,80%	2,75%	1,4
	CHF	1) SNB Repo eligible 2) Issuer <> Clearer 3) Exchange listing & price 4) Admissible proportion of the issued capital is 25%	Federal Bonds and Bills (GMBF), Loan obligations	BCNF	**3,0%** (2,3%)	0,8%	0,80%	0,00%	1,0
			Kantonal Obligations, Bonds, Bills (GMBF)	BCAN	**3,0%** (2,3%)	0,8%	0,80%	0,00%	1,0
			City and Municipality Bonds	BSTA	**6,2%** (3,5%)	2,7%	0,80%	1,85%	1,0
			State Agencies	BAGE	**10,0%** (3,5%)	2,7%	0,80%	1,85%	1,0
			Corporates & Other Bonds	BIND, BOTH	**19,7%** (14,4%)	7,0%	0,80%	4,15%	1,4
			Bank Bonds, Mortgage Bonds (Pfandbriefzentralen), **no ABS;**	BBAN	**17,3%** (12,2%)	5,4%	0,80%	1,85%	1,4
	USD, GBP, DKK, NOK, SEK, AUD, CAD, JPY	1) Exchange listing 2) Admissible proportion of the issued capital is 25%	Government Bonds	BAUS, BABP, BADK, BANK, BASK, BAAD, BACD, BAJY	**3,0%** (2,2%)	0,8%	0,80%	0,00%	1,0
Equities, ETFs	EUR	1) Issuer <> Clearer 2) Admissible propotion of the free float is 5% 3) maximum 30% of required daily collateral	DAX, EuroStoxx 50 constituents	SAKT	50%	-	-	-	-
			Other stocks as announced by Eurex Clearing AG	SAKT	50%	-	-	-	-
		1) Admissible propotion of the free float is 5% 2) Maximum 30% of required daily collateral	DAX Ex Products, Ishares DJ Euro Stoxx 50, DJ Euro Stoxx 50 Ex Products	SETF	50%	-	-	-	-
	CHF	1) Issuer <> Clearer 2) Admissible propotion of the free float is 5% 3) Maximum 30% of required daily collateral	SMI constituents	SSTK	50%	-	-	-	-
			Other stocks as announced by Eurex Clearing AG	SSTK	50%	-	-	-	-
		1) Admissible propotion of the free float is 5% 2) Maximum 30% of required daily collateral	XMTCH on SMI Products	SETF	50%	-	-	-	-