

# EurexOTC Clear

**Eurex Clearing offers a liquid EU-based alternative to clear EUR-denominated interest rate swaps with high-quality execution prices.**

We have worked closely with both the buy and sell side to design the only European offering that truly meets the needs of the market. As a result, we provide the perfect basis for your OTC business, where highest safety and efficiency are key factors – and differentiate us from other CCPs.

## PRODUCT SCOPE

| Type                      | Currencies                        | Maturity               | Supported types                                              | Other characteristics                                                                                     |
|---------------------------|-----------------------------------|------------------------|--------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------|
| IRS                       | EUR                               | 61 years (22,335 days) | • Plain vanilla (fixed/float)<br>• Basis/tenor (float/float) | • ISDA, German framework agreements                                                                       |
|                           | USD                               | 51 years (18,675 days) | • Basis/tenor (float/float)                                  | • Constant notionals                                                                                      |
|                           | DKK, NOK                          | 31 years (11,375 days) | • Plain vanilla (fixed/float)<br>• Basis/tenor (float/float) | • Front, end stubs, forward starts                                                                        |
|                           | SEK                               | 31 years (11,375 days) | • Plain vanilla (fixed/float)                                | • 1m, 3m, 6m, 12m – EUR (EURIBOR)                                                                         |
|                           | CZK, HUF, PLN                     | 16 years (5,871 days)  | • Plain vanilla (fixed/float)<br>• Basis/tenor (float/float) | • 3m, 6m – DKK (CIBOR), NOK (NIBOR), PLN (WIBOR), CZK (PRIBOR), HUF (BUBOR)                               |
| OIS                       | EUR                               | 61 years (22,335 days) | • Plain vanilla (fixed/float)                                | • 3m – SEK (STIBOR)                                                                                       |
|                           | GBP, USD                          | 51 years (18,675 days) | • Plain vanilla (fixed/float)                                | • 1d – EUR (€STR), GBP (SONIA), USD (SOFR, Fed Funds), CHF (SARON), JPY (TONA), DKK (DESTR), PLN (POLSTR) |
|                           | CHF, JPY                          | 31 years (11,375 days) | • Plain vanilla (fixed/float)                                | • Zero coupon                                                                                             |
|                           | DKK                               | 11 years (4,050 days)  | • Plain vanilla (fixed/float)                                | • Variable notional – amortizing & roller coaster                                                         |
|                           | PLN                               | 16 years (5,871 days)  | • Plain vanilla (fixed/float)                                | • Negative interest rates and spreads                                                                     |
| FRA                       | EUR, DKK, NOK, SEK, PLN, CZK, HUF | 3 years (1,225 days)   | • Plain vanilla (fixed/float)                                | • IMM roll dates                                                                                          |
| Zero Coupon Inflation     | GBP                               | 50 years               | • UK RPI                                                     | • Variable spreads & fixed coupons                                                                        |
|                           | EUR                               | 30 years               | • FRCPix                                                     | • Compounding                                                                                             |
|                           | EUR                               | 50 years               | • HICPxT                                                     |                                                                                                           |
| Standard Coupon Inflation | EUR                               | 50 years               | • HICPxT                                                     |                                                                                                           |

## What are the key benefits?



### Regulatory compliance

- European domiciled CCP guarantees clearing certainty within the EU regulatory framework



### Capital efficiency

- A legal framework allowing for maximum risk exposure netting
- Capital efficient direct clearing models



### Margin efficiency

- Cross product margining along the euro yield curve
- Full interest rate derivatives coverage



### Collateral efficiency

- Broad eligible collateral spectrum
- Integrated collateral re-use and transformation possibilities with our repo CCP services



## NETTING AND COMPRESSION

The netting (risk-free compression) and risk-based compression services offered at Eurex Clearing allow market participants to reduce their outstanding gross notional by offsetting trades with opposing directions. This can significantly reduce the leverage ratio and overall cost of capital.

In addition to the capital efficiencies, there are operational benefits. It decreases the number of trades, contributes to reducing systemic risk and simplifies portfolio management by increasing operational efficiency and reducing potential administrative effort in the event of a default.

### Levels of netting

Netting position parameters can be defined on a position account basis and set in the EurexOTC Clear GUI.

#### Basic netting

(terms must match)

#### Fee netting

(different fee schedule)

#### Rate blending

(different fixed legs)

## MARGIN EFFICIENCY

Eurex Clearing Prisma calculates combined risks across the markets and venues cleared by Eurex Clearing for products that share similar risk characteristics. This allows for more accurate risk netting effects between listed and OTC positions.

Cross-product scenarios enable a consistent way to account for portfolio correlation and diversification effects.

Profit from high capital efficiencies and a strong risk management framework provided by Eurex Clearing Prisma.

## COLLATERAL OFFERING

As a leading clearing house, Eurex Clearing offers best in class, diversified collateral management services. This creates maximum value for our customers while simultaneously ensuring the integrity of the clearing house.

We offer a wide range of asset classes as margin collateral. In addition, Eurex gives clients access to market leading collateral transformation services.

## REPO SOLUTIONS

Participants can achieve significantly reduced costs when margins are funded through the Eurex repo platform using a broad range of collateral.

Having access to Eurex's liquid and centrally cleared repo markets enables our customers to safely invest cash or raise short-term funding with more than 150 Eurex repo trading participants, all under a standardized legal agreement, with straight-through processing and no need for bilateral credit lines.

### Contact

#### FIC DERIVATIVES & REPO SALES

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