

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, GBP ¹ , USD	Up to 51 years (18,675 days)	• Plain vanilla (fixed/float) • Basis/tenor (float/float)	• ISDA, German framework agreements • Constant notionals
	CHF ² , JPY ²	Up to 31 years (11,375 days)	• Plain vanilla (fixed/float) • Basis/tenor (float/float)	• Front, end stubs, forward starts
	DKK, NOK, SEK	Up to 31 years (11,375 days)	• Plain vanilla (fixed/float)	• EUR (Euribor) 1m, 3m, 6m, 12m
	PLN	Up to 11 years (4,050 days)	• Plain vanilla (fixed/float)	• USD, CHF, GBP and JPY (Libor) 1m, 3m, 6m ^{1,2} • DKK (Cibor), NOK (Nibor), PLN (Wibor) 6m • SEK (Stibor) 3m • Zero coupon
OIS	EUR, GBP, USD	Up to 51 years (18,675 days)	• Plain vanilla (fixed/float)	• Variable notional – amortizing & roller coaster
	CHF, JPY	Up to 31 years (11,375 days)	• Plain vanilla (fixed/float)	• Negative interest rates and spreads
FRA	EUR, USD, SEK, DKK, NOK, PLN	Up to 3 years (1,225 days)	• Plain vanilla (fixed/float)	• IMM roll dates
Inflation	GBP	Up to 50 years	• UK RPI	• Variable spreads & fixed coupons
	EUR	Up to 30 years	• HICPxT, FRCP1x	• Compounding

¹ IBOR referencing GBP IRS & Basis Swaps will remain clearable only until the RFR conversions on 17 December.

² IBOR referencing CHF & JPY IRS & Basis Swaps will remain clearable only until the RFR conversions on 3 December.

What are the key benefits?



Safety

- State of the art risk and default management capabilities
- Choice of strong segregation models



Capital efficiency

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



Margin efficiency

- Portfolio margining across listed and OTC products
- 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 and compression services offered at Eurex Clearing allow our Clearing Members to reduce their outstanding gross exposure by offsetting. In addition to the capital efficiencies, there are operational benefits of netting and compression. It decreases the number of trades, contributes to reducing systemic risk and simplifies portfolio management by increasing operational efficiency and reducing potential administrative exposure in the event of a default.

Netting

- **Risk-free** reduction of trade exposures
- **Reduced leverage ratio** and **cost of capital**
- **Reduced operational** and **CCP concentration risk**
- Extensive reporting and “what-if” reports to **preview netting opportunities**

Basic netting	Fee netting	Rate blending
(terms must match)	(different fee schedule)	(different fixed legs)

Compression

- Risk-constrained reduction of trade exposures that have similar but not identical payment dates or maturities
- Eurex Clearing remains cash flow- and market risk-neutral
- **Reduced leverage ratio** and **cost of capital**
- **Reduced initial margin** and **default fund contribution**
- **Reduced operational** and **CCP concentration risk**
- Reporting available to **preview compression opportunities**

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.

Contact

FIXED INCOME, FUNDING & FINANCING

London
T +44-20-78 62-72 39

Frankfurt
T +49-69-211-13859

Fixedincome.Sales@eurex.com

