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CME Group Announces Launch of Interest Rate Swaption Clearing

CHICAGO, March 8, 2016 /PRNewswire/ -- [CME Group](http://www.cmegroup.com), the world's leading and most diverse derivatives marketplace, today announced it will begin clearing Interest Rate Swaptions on April 11.

"CME Clearing is proud to be the first clearing house to deliver interest rate swaption clearing, a capital efficient clearing solution that has the opportunity to transform the interest rate swaps landscape for our customers," said Sunil Cutinho, President, CME Clearing. "Swaption clearing enables clients and dealers to substantially reduce their risk and gain margin efficiencies of up to 90 percent by adding swaptions to their CME cleared interest rate swaps portfolios."

Five clearing members are approved to clear swaptions upon launch, with additional firms working through the approval process to begin clearing swaptions.

"With uncleared margin rules coming into greater focus for our clients, Credit Suisse is excited to facilitate voluntary swaptions clearing at CME Group," said John Dabbs, Global Head of Prime Derivatives Services at Credit Suisse. "Clearing swaptions enables our clients to obtain the greatest operational and capital efficiencies from clearing, while reducing the risks in their portfolios."

"RBS plc is pleased to take a leadership role as one of the first banks that will provide cleared swaption liquidity to our global client base," said Alan Mittleman, Head of Rates Trading, Americas at RBS plc. "We are very supportive of the early adopters that use the CME swaption clearing solution to reduce bilateral counterparty exposure, particularly with the added cost of margin for non-cleared derivatives coming later this year."

The initial product scope will include US Dollar denominated swaptions with European style exercise, a maximum two-year option expiry, and a maximum underlying swap tenor of 30 years.

For more information on swaption clearing at CME Group, please visit www.cmegroup.com/swaptions.

As the world's leading and most diverse derivatives marketplace, CME Group (www.cmegroup.com) is where the world comes to manage risk. CME Group exchanges offer the widest range of global benchmark products across all major asset classes, including futures and options based on [interest rates](#), [equity indexes](#), [foreign exchange](#), [energy](#), [agricultural commodities](#), [metals](#), [weather](#) and [real estate](#). CME Group brings buyers and sellers together through its [CME Globex®](#) electronic trading platform, its trading facilities in New York and Chicago, and through its London-based [CME Europe](#) derivatives exchange. CME Group also operates one of the world's leading central counterparty clearing providers through [CME Clearing](#) and [CME Clearing Europe](#), which offer clearing and settlement services across asset classes for exchange-traded contracts and over-the-counter derivatives transactions. These products and services ensure that businesses everywhere can substantially mitigate counterparty credit risk.

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