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CME Clearing Europe Expands its Suite of OTC Interest Rate Swap Offerings

Additional products build on CME Group's global interest rate swaps initiative

LONDON, Feb. 27, 2014 /PRNewswire/ -- [CME Clearing Europe](#), CME Group's European clearing house, today announced that it has received Bank of England approval to add Overnight Index swaps (OIS), zero coupon swaps, Forward Rate Agreements (FRAs), basis swaps, variable notional swaps and SEK, DKK and NOK currencies for clearing beginning 3 March to its [existing interest rate swap offering](#). The expansion of products in Europe adds to the [global offering](#) of CME Group, which has [cleared more than \\$20 trillion in notional value](#) with [more than \\$11 trillion currently in open interest](#) since launching 19 October, 2010.



"With mandated clearing of over the counter interest rate swaps in Europe likely to begin later this year, we are leveraging our experience from the U.S. under Dodd Frank to collaborate with buy-side and sell-side customers in Europe to prepare for the new EMIR rules," said Lee Betsill, CEO of CME Clearing Europe. "In addition, we continue to work closely with our customers to tailor our offerings to meet their risk management needs through services like our existing individually segregated account for collateral protection at the client level. This service compliments our new fully segregated account, pending regulatory approval, which will go even further by segregating that collateral with an external custodian at the client level."

"We welcome the broadening of CME Clearing Europe's clearable interest rate swaps offering," said Luc Leclercq, Chief Operating Officer, BlueBay Asset Management. "This provides market participants with an increased choice of European venues at which to clear their over the counter positions ahead of regulatory requirements and is a significant step for the European market as the timeline to mandatory clearing under EMIR approaches."

"Credit Suisse welcome CME Clearing Europe's recent product extension. Mandatory clearing in the US has given clearing member firms and CCPs the opportunity to prepare for the pending clearing mandate in Europe and we see this as an important step for the European market as we move towards mandatory clearing," said Alex Lenhart, European Head of Prime Services Listed Derivatives, OTC Clearing and FXPB at Credit Suisse.

"We welcome the announcement of CME's interest rate product extension. This is a positive development, bringing with it additional venues offering clearing across a broad spectrum of OTC derivatives. It allows buy-side clients an increased level of flexibility which will ultimately be beneficial for them and the market as a whole," said Richard Watts, co-Head of Investments for F&C Management Ltd.

Today's announcement builds on CME Clearing Europe's current offering for over the counter interest rate swaps based on seven currencies: GBP, EUR, CAD, AUD, CHF, JPY and USD with maturities of up to 50 years for USD, EUR, GBP and 30 years for all others. Globally, CME Group has more than 30,000 interest rate swap accounts with more than 400 clients using CME Clearing or CME Clearing Europe.

About CME Group and CME Clearing Europe

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 and its trading facilities in New York and Chicago. CME Group also operates [CME Clearing](#), one of the world's leading central counterparty clearing providers, which offers 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.

[CME Clearing Europe](#) (www.cmecclearingeurope.com), a wholly owned subsidiary of [CME Group](#), has been established in London with the aim of offering services as a multi-product clearing house focused on non-US customers. CME Clearing Europe provides world class clearing for a broad base of customers and extends CME Group's clearing services, ensuring stability and increasing transparency in the markets cleared, helping to reduce and contain systemic risk. CME Clearing Europe Limited was approved as a [Recognised Clearing House](#) (RCH) by the Financial Services Authority (FSA) of the United Kingdom

in December 2010 and is regulated and supervised by the Bank of England.

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