



## *media release*

Frankfurt/Main, 20 October 2011

### **First Maltese bank becomes a participant of Eurex Repo**

Mediterranean Bank joins Euro Repo and GC Pooling markets

Eurex Repo, the leading marketplace for international, electronic repo trading and secured funding, today announced its further expansion in Europe. The newest member is the Mediterranean Bank domiciled in Malta, which has made first trades in the Euro Repo and the GC Pooling markets. With this new customer, the total number of Euro Repo participants has risen to 88, thereof 75 use the GC Pooling market. Eurex Repo members are based in twelve countries, among them Germany, France, Great Britain, Netherlands, Spain, and – since this week – in Malta.

“We welcome Mediterranean Bank and we are pleased that this Maltese bank recognizes the advantages of our business model comprising anonymous electronic trading, central clearing and efficient collateral management via Clearstream”, said Marcel Naas, Managing Director of Eurex Repo. “The option to gain liquidity in and out of the market in an anonymous and efficient way is especially important in turbulent market conditions.”

“Mediterranean Bank is proud to become the first Maltese participant of Eurex Repo. This leading pan-European marketplace will enable the bank to continue to develop and diversify its funding sources in conjunction with its growth in both the consumer and corporate market here in Malta”, said Mark Watson, CEO of Mediterranean Bank.

The volumes in the secured money market GC Pooling and the Euro Repo market reached new record levels on 27 September 2011. GC Pooling achieved 164.4 billion euros average outstanding volume, whereas the Euro Repo market totaled 199 billion euros. The annual growth rate (CAGR) of GC Pooling has been at 78 percent since its launch in 2005. In the context of the GC Pooling services, Mediterranean Bank is going to use Clearstream for settlement, custody and collateral management services through its account at the international central securities depository in Luxembourg.

#### **Note to editorial staff:**

GC Pooling offers a highly efficient market for trading central bank money and eligible assets, thereby creating a secondary market in the context of European Central Bank (ECB) open market transactions and integrated central clearing via Eurex Clearing, which considerably reduces counterparty risk.

Since September 2009, Eurex Repo has calculated and published the GC Pooling® EUR Overnight Index (GCPI) to track the short-term interest rates on the secured money market:

[http://www.eurexrepo.com/gcpooling/overnight\\_index.html](http://www.eurexrepo.com/gcpooling/overnight_index.html)

Clearstream offers a wide range of collateral management services together with a suite of securities lending products under the Global Securities Financing (GSF) services. In September 2011, the GSF monthly average reached an outstanding volume of €654 billion illustrating the growing importance of secured financing. Clearstream has more than 20 years of experience in securities financing mechanisms which provide liquidity to the world's capital market.

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### **About Eurex Repo**

Eurex Repo ([www.eurexrepo.com](http://www.eurexrepo.com)) ranks among the leading markets for electronic repo trading and operates five markets in secured funding and financing: The GC Pooling, Euro Repo, Swiss Franc Repo, OTC Spot and SecLend Market. More than 320 participants from twelve countries are currently admitted to trading on Eurex Repo's markets. The Swiss Franc Repo Market was launched in 1999, the Euro Repo Market followed in 2001 and GC Pooling started in 2005. The Euro Repo and GC Pooling markets provide all advantages of electronic trading in combination with the anonymity of the central counterparty Eurex Clearing AG. Eurex Repo is a wholly-owned subsidiary of Eurex Frankfurt AG. Repo trading allows banks to lend/borrow their security holdings in exchange for money and receive or grant liquidity as a result. The ECB and the majority of national European central banks use repo transactions to control money supply.

### **About Clearstream**

Clearstream ([www.clearstream.com](http://www.clearstream.com)) is the post-trade services and global liquidity provider within Deutsche Börse Group. As an international central securities depository (ICSD) headquartered in Luxembourg, Clearstream provides the post-trade infrastructure for the Eurobond market and services for securities from 52 domestic markets worldwide. Clearstream's customers comprise approximately 2,500 financial institutions in more than 110 countries. Its services include the issuance, settlement and custody of securities, as well as investment fund services and global securities financing. With almost €11 trillion in assets under custody, Clearstream is one of the world's largest settlement and custody firms for domestic and international securities. As a central securities depository (CSD) based in Frankfurt, Clearstream also provides the post-trade infrastructure for the German securities industry, offering access to a growing number of markets in Europe.