

## *joint media release*

Frankfurt/Main and Luxembourg, 24 November 2010

### **Eurex Clearing, Eurex Repo and Clearstream to optimize use of collateral**

- § Effective 26 November, Eurex Clearing customers can re-use GC Pooling collateral for margining
- § Joint initiative of Eurex Clearing, Eurex Repo and Clearstream for more efficient use of collateral
- § Eurex Repo GC Pooling average outstanding volume reached more than €100 billion

Eurex Clearing, Eurex Repo and Clearstream announced today that as of 26 November Eurex Clearing customers participating in the GC Pooling trading at Eurex Repo will be in a position to re-use GC Pooling collateral to fulfil their overall Eurex Clearing margin obligations. Eurex Clearing members can make use of the new offering via their existing infrastructure. The Eurex Clearing member only has to set an exposure amount while the allocation of the individual collateral securities will be managed by Clearstream's collateral management system Xemac up to the defined exposure amount.

Thomas Book, member of the Executive Board of Eurex, said: "Eurex Clearing members now have an additional option to fulfil their margin obligations by accessing and re-using the multi-billion euros repo collateral pool created by trading on Eurex Repo. With this new offering we continue to meet the demand of our customers for an efficient use of collateral, reducing the operational costs and operational effort of our clearing members while maintaining the integrity of the clearinghouse."

Marcel Naas, Managing Director of Eurex Repo, said: "We continue to observe a growing need for secured money market transactions in an environment where collateral is scarce. Eurex Repo now expands the re-use possibility of collateral: cash providers can allocate collateral they received from cash takers to Eurex Clearing in the scope of the GC Pooling<sup>®</sup> ECB basket consisting of high-grade ECB-eligible instruments."

Stefan Lepp, member of the Clearstream Executive Board, said: "This initiative is another step to grow and improve our Global Risk Management and Liquidity Hub. As the leading service provider in the area of integrated and international collateral and liquidity management, Clearstream continues to follow its global securities financing strategy to provide its customers the service to cover their global exposure through a consolidated and optimized collateral pool."

Overall, Eurex Repo markets have all seen tremendous growth in 2010 and reached in September a new average outstanding volume record of a total of €255.3 billion. The fastest growing market is GC Pooling<sup>®</sup>, which achieved an average outstanding volume of €93 billion in October 2010 compared to €75 billion in October 2009. The current record was on 28 September 2010 with a daily outstanding volume of €109 billion. Simultaneously, the number of users has increased from 35 in January 2010 to currently 49. The GC Pooling segment offers trading in Euro and US-Dollar.

## **Media Contacts**

Clearstream:        Nicolas Nonnenmacher    phone +352-2 43-3 61 15  
Eurex:                Frank Herkenhoff            phone: +49-(0)69-2 11-1 15 00

## **About Eurex Clearing**

Eurex Clearing AG is one of the world's leading clearing houses. It offers fully automated and straight-through post trade services combined with an industry-leading risk management for derivatives, equities, repo and fixed income transactions traded at major international exchanges and trading platforms. The offering comprises flexible trade management functions, advanced risk management services, efficient collateral and delivery management tools. As a central counterparty, its focus is to increase market integrity.

Eurex Clearing AG is a wholly owned subsidiary of Eurex Frankfurt AG and is jointly operated by Deutsche Börse AG and SIX Swiss Exchange AG.

Further information: [www.eurexclearing.com](http://www.eurexclearing.com)

## **About Eurex Repo**

Eurex Repo ranks among the leading markets for electronic repo trading and operates the CHF and EUR Repo Markets and GC Pooling<sup>®</sup> Market. The CHF Repo Market was launched in 1999, the EUR Repo Market followed in 2001 and the GC Pooling Market followed in 2005. More than 235 participants from ten countries are currently admitted to trading on Eurex's repo markets. Eurex Repo is the only platform in Europe to offer all of the advantages of electronic trading in combination with the anonymity of the central counterparty Eurex Clearing AG and Clearstream Banking's centralized collateral management system. 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.

Eurex Repo is a wholly-owned subsidiary of Eurex Frankfurt AG.

Further information: [www.eurexrepo.com](http://www.eurexrepo.com)

## **About Clearstream**

As an international central securities depository (ICSD), Clearstream provides the post-trade infrastructure for the Eurobond market and services for securities from 49 domestic markets worldwide. Its services include the issuance, settlement and custody of securities, as well as investment funds services and global securities financing (GSF). With its GSF services, Clearstream offers settlement and custody services along with instruments for collateral management. The service business comprises tri-party repo, securities lending and collateral management. In October 2010, monthly average outstanding volume for GSF reached €544.7 billion.

Further information: [www.clearstream.com](http://www.clearstream.com)