

# EurexOTC Clear

## Release 16.0

Focus Call

27 September 2023



# Agenda

**1** Release Rollout Approach

**2** Release 16.0 Scope Items

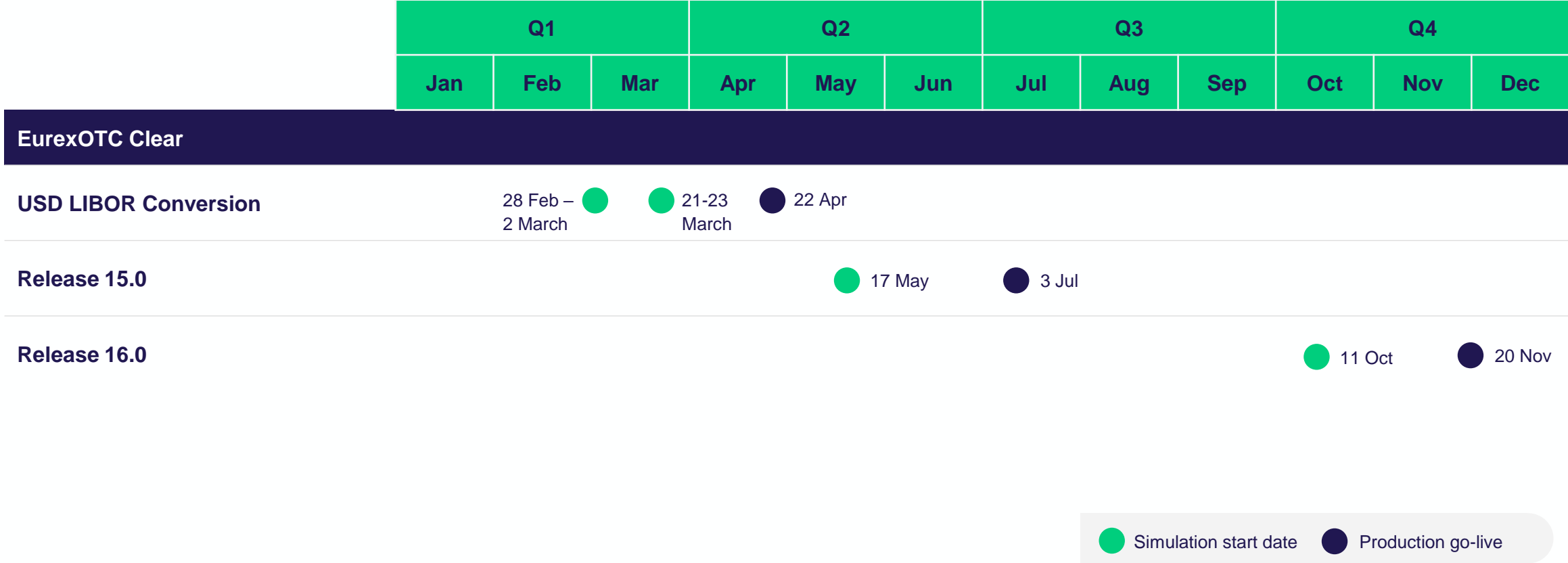
**3** Questions & Answers



# 1 Release Rollout Approach



# OTC Release Rollout Approach for 2023



# Release 16.0 Key Dates & Documentation



\*Detailed information on the name of documents can be found in communication calendar

# 2 Release 16.0 Scope Items

# Release 16.0 Scope Items

## Scope Items

Automated Position Offset through Trade Entry API

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Introduction of OIS on DKK-DESTR (Denmark Short-Term Rate)

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A new field 'UPI' for OTC trades

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Introduction of Trade Refactoring Compression

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API Changes

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Report Changes

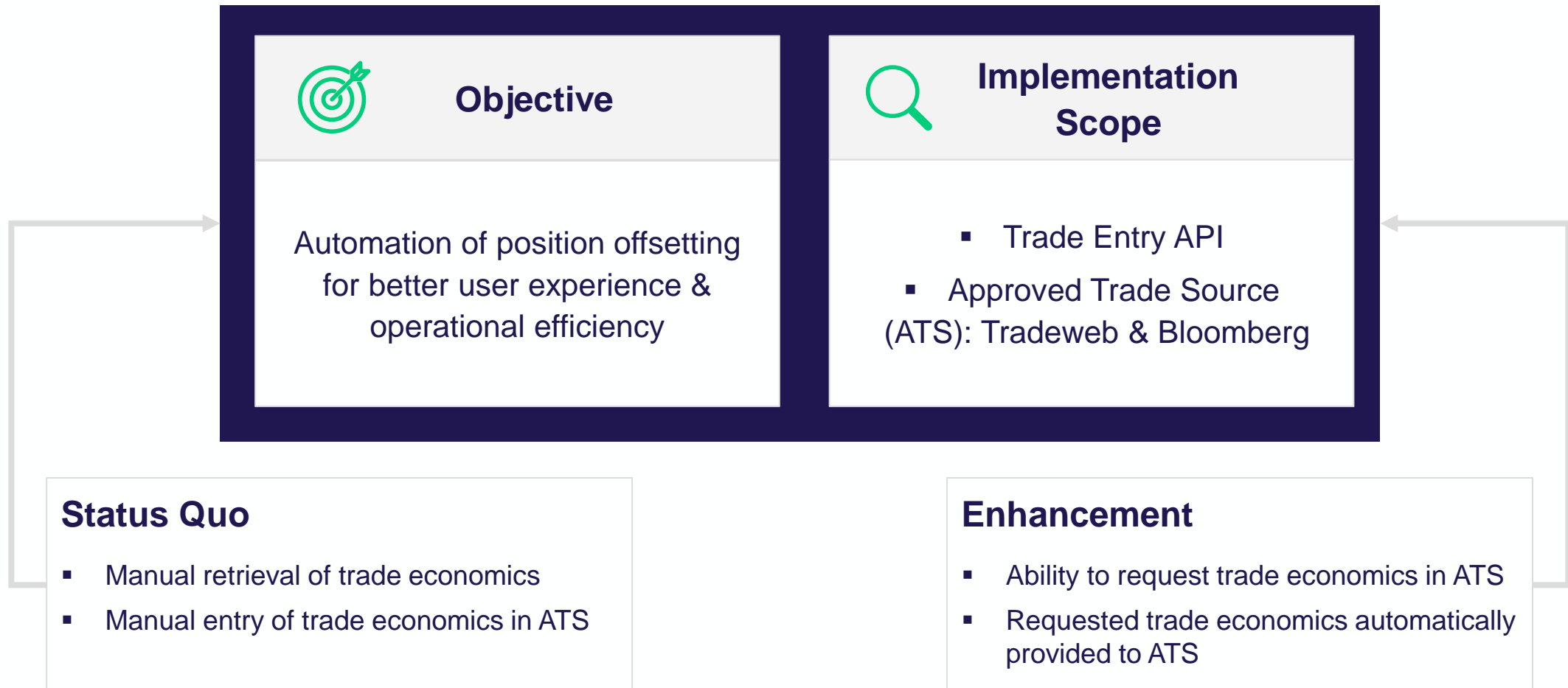
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GUI Changes

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# Automated Position Offset through Trade Entry API


## Overview





# Automated Position Offset through Trade Entry API

## Key Features

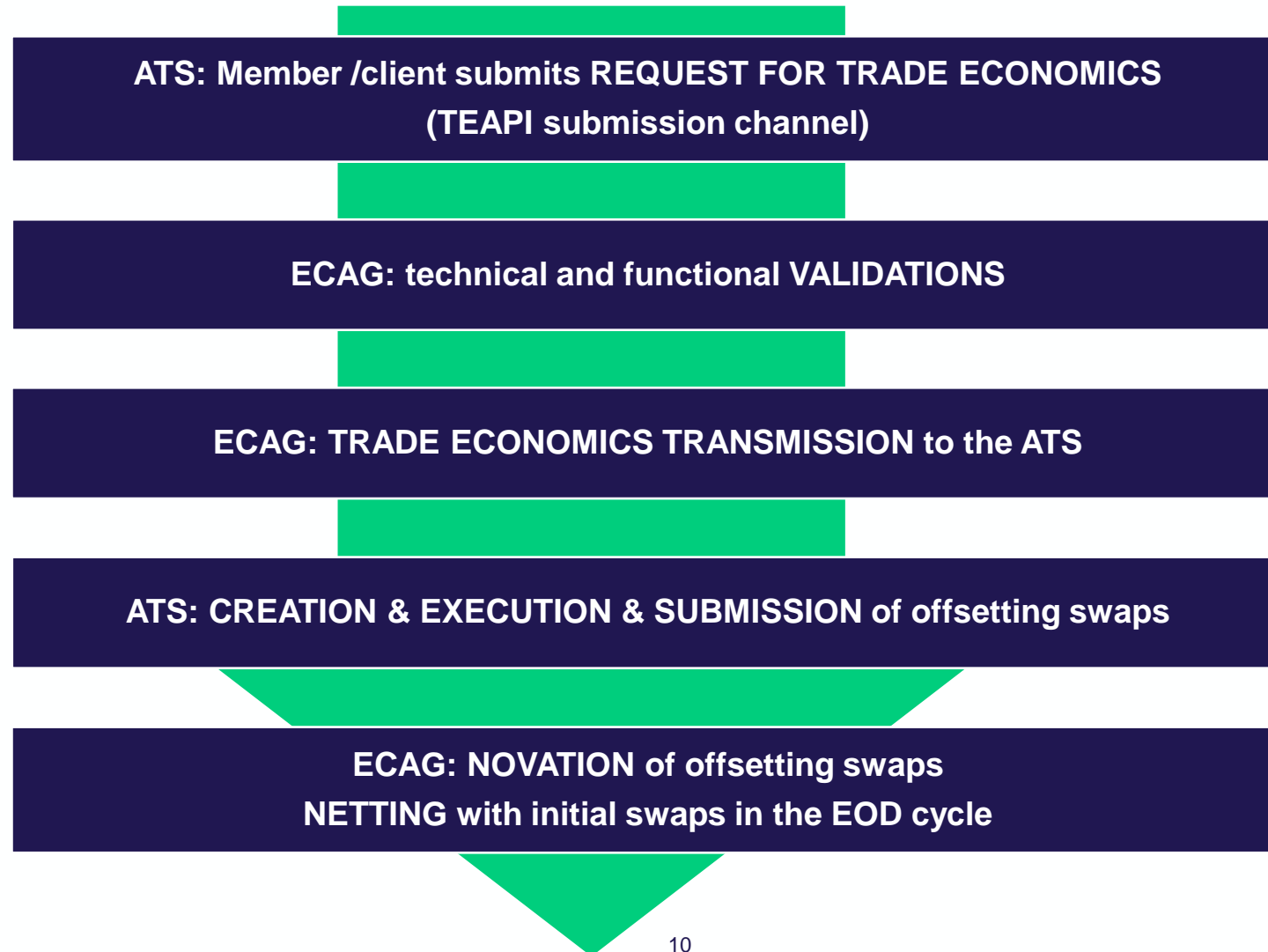
- Request for trade economics to include: **CCP Trade IDs, GlobalLEI**, ATS ID, and unique request ID
- **ECAG Technical & Functional Key Validations:**
  - ✓ Eurex CCP trade ID(s)  GlobalLEI?
  - ✓ Trade Status of the requested trades (e.g., VERIFIED)
  - ✓ Is the member/client enabled at ECAG for trade offsetting functionality?
- The CD298 report can be employed to review which clients have the functionality enabled



- With the Go-Live, this functionality will be enabled by default for all Clearing Members and their clients. To disable this feature, clients should contact their KAM or the ECAG onboarding team
- Testing this functionality will be possible once the ATS complete the development work on their side

# Automated Position Offset through Trade Entry API

## Workflow





# Introduction of OIS on DKK-DESTR (Denmark Short-Term Rate)

## Overview

Attribute	DKK	
	<b>Trade Specific</b>	
Floating Index	DKK-DESTR-OIS Compound	
Cessation	n/a	
Maximum Maturity	11 years (4,050 days)	
Minimum Residual Term	2 business days	
Minimum Term	2 business days	
Forward Starting	✓	
Additional Payments	Arbitrary number of additional payments in DKK	
	<b>Product Specific</b>	
Roll Convention	Day of Month (1-30) EOM IMM None	
Start Date Business Day Convention	None Following Mod Following Preceding	
Maturity Date Business Day Convention	None Following Mod Following Preceding	
	<b>Leg Specific</b>	
Different Effective Dates on legs	Y	
Leg Combination	Fixed/Float	
Payment Period	<u>Fixed</u> monthly quarterly semi-annually annually zero coupon	<u>Float</u> monthly quarterly semi-annually annually zero coupon
Payment Lag	<u>Fixed</u> 0 business days 1 business day 2 business days	<u>Float</u> 2 business days
Payment Date Calendar	DKCO required, other calendars optional	
Fixed Rate	Any fixed rate (including negative and zero fixed rates) is supported	
Floating Index Tenor	1 business day	
Fixing Date Offset	0 business days	
Fixing Date Relative to	Period End	
Floating Leg Index Spread	Simple spread only	



## Clearing of OIS (Overnight Index Swap) trades on the Danish DKK-DESTR (Denmark Short-term Rate) index

- New risk factors, quotes, curve underlyings, and curves
- Maturity of up to and including 11 years
- The full detailed Product List for R16.0 will be available on the Member Section of Deutsche Börse Group:

[Resources > Eurex Clearing > Documentation & Files > EurexOTC Clear > System Documentation > Overview](#)

- No further product setup required for DKK OIS trades
- Clients need to be enabled for DKK in currency level

# Further Changes

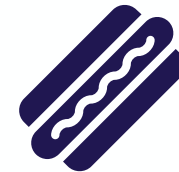
## A new field 'UPI' for OTC trades

- A new optional field 'UPI' provided by Approved Trade Source (ATS)
- The format of 12-number alphanumeric code, e.g., *UB3825P5999*
- Changes in Trade Notification messages and reports
- Changes in EurexAPIXML XSD and Report XSDs



## Introduction of Trade Refactoring Compression Algorithm

- Trioptima enhancement in addition to Downscaling, Upscaling, and Trade Revision algorithms
- Residual trades with not only the changes in trade revision (notional, coupon, spread, direction), but also changes in the start and the end date of the trade enabled





# API Changes



## Increase in the number of Initial Margin parallel requests

- The number of MC-API requests that can be processed in parallel increased **up to 20 requests**
  - **Currently:** up to 5 requests to be processed in parallel per member, with calculation dates being current date for each of the 5 requests or past date for up to 2 of the 5 requests
  - **With this enhancement:** parallel MC-API requests with calculation dates set to current date or set to a max of 5 BDs in the past



## Further API Changes

- Trade Entry API enhancement with the new field 'UPI' for OTC trades
- Implementation of Automated Position Offset through Trade Entry API
- DKK-DESTR (Denmark Short-Term Rate) Reference Rate Development in Trade Entry API and MC API
- Validation of the “sender” element within the MarginCalculatorAPIXML Ping Request on MC API
- Validation of the “sentBy” element within the EurexAPIXML Ping Request on FpML- API

# Report Changes (1/2)

## DKK-DESTR (Denmark Short-Term Rate) Introduction

- All product extension specific information (trade information, rate index, etc.) to be included in several reports\*
- No structural changes are necessary

## A new field 'UPI' for OTC trades

A new field 'UPI' will be added to several reports

## Affected Reports

Report Name	Code
Trade Novation Report	CI200, CB200
Trade Daily Summary Report	CI201, CB201

\*For the full list of affected reports, please refer to the [Functional Release Notes](#) and [EurexOTC Report Manual for OTC Release 16.0](#)



# Report Changes (2/2)

## Implementation of Automated Position Offset through Trade Entry API

- A new “TradeOffsetting” field will be added in the CD298 report
- The value of the new field either "Y" (Yes) or "N" (No)
- By default, the value will be “Y” for all, and members can contact their KAM to change it

## Field values extended to 10 decimal points\*

Field values in some reports to be extended from 8 to 10 decimal points:

- Values for fields Fixed Rate, Spread, and Initial Rate in reports with trade details in FpML-format
- Values for fields “fixedRate” and “spread” in xml netting reports
- Values for some fields in csv netting reports

\* For the full list of affected reports, please refer to the [EurexOTC Report Manual for OTC Release 16.0](#)

## Affected Reports

Report Name	Code
Static Data Report	CD298

Report Name	Code
Trade Novation Report	CI200, CB200
Trade Daily Summary Report	CI201, CB201
Netting Portfolio Forecast Report	CI243/CI263
Netting Report	CC244/CC264
Netting Portfolio Forecast Report	CI253/CI273

# GUI Changes

The screenshot shows the OTC GUI with the 'Cashflows' window active. The main table lists trades with their respective details. A 'Cashflow Rates' window is open, displaying a table of cashflow rates for selected trades. A green arrow points from the 'Rate' column in the main table to the 'Cashflow Rates' window.

CCP Trade ID	Reset Date	Rate	Index Term	Period Start	Period End	Rate Index
3956742	2023-11-01	1.900000	1D	2023-11-01	2023-12-01	EUR/ESTR/1D/E...
3956742	2023-12-01	1.900000	1D	2023-12-01	2024-01-01	EUR/ESTR/1D/E...
3956742	2024-01-01	1.901000	1D	2024-01-01	2024-04-01	EUR/ESTR/1D/E...



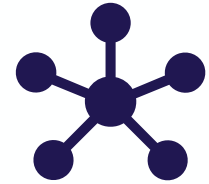
## Cashflow Window in OTC GUI

- A new window to view the details of the cashflow calculation on trade level for Swap trades
- Access to Cashflow rate window
- Download is possible

# Further GUI Changes

## OTC GUI

- The enhancement of Trade Amendment functionality to select multiple trades and have them displayed in the same window
- Netting Parameter window enhancement by two new account parameters: Source System Client ID and Source System CM ID
- A new field “UPI” in the Deal ticket
- Enhancement of the mapping of the optional field RollMethod in the MC download file



## MC GUI

- Several enhancements to support the clearing of OIS trades on the Danish DKK-DESTR index
- Clearing Eligibility Checker to support Variable Interest Rate Swap (VIRS) and Zero-Coupon Fixed Amount (ZCFA) trades validation
- Increase in the number of Initial Margin parallel requests
- Enhancement of the mapping of the optional field RollMethod





# 3 Questions?



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