

TO: Clearing Member Firms; Back Office Managers

FROM: CME Clearing

SUBJECT: **OTC Holiday Advisory – Martin Luther King, Jr. Day**

On Monday, January 16, 2017 (Martin Luther King, Jr. Day), CME Clearing will be open to clear trades. Due to the holiday, however, there will be several impacts to CME Clearing’s processing and trade submission timelines for OTC products. For details on these impacts, please see the tables below.

**Trade Submission and Variation Margin Settlement:**

Trade Date	Asset Class	Currency	Clear Date	Upfront Fee Settlement Date
<b>Monday, January 16, 2017</b>	IRS	USD	Tuesday, January 17 <sup>th</sup>	Wednesday, January 18 <sup>th</sup>
		All other T+1 Currencies	Monday, January 16 <sup>th</sup>	Tuesday, January 17 <sup>th</sup>
		All other T+2 Currencies	Monday, January 16 <sup>th</sup>	Wednesday, January 18 <sup>th</sup>
	CDS	USD-CDX	Tuesday, January 17 <sup>th</sup>	Wednesday, January 18 <sup>th</sup>
		EUR-iTraxx	Monday, January 16 <sup>th</sup>	Tuesday, January 17 <sup>th</sup>

Since Martin Luther King, Jr. Day is a USD holiday only, USD swaps submitted on Monday, January 16, 2017 will clear on Tuesday, January 17, 2017 and will settle on Wednesday, January 18, 2017. For all other currencies it will be business as usual.

OTC FX holiday information will be sourced from COPP CLARK.

**Price Alignment Interest:**

The table below provides information related to PAI calculation for Martin Luther King, Jr. Day.

Close of Business Date	Currency	Number of Days for PAI
<b>Friday, January 13, 2017</b>	USD	4
	All other currencies	3

**Initial Margin Calculations:**

Close of Business Date	Product	Currencies	Will CME generate new IM requirements?
Monday, January 16, 2017	IRS	All Currencies	Yes
	CDS	USD-CDX	Yes
		EUR-iTraxx	Yes
OTC FX	All Currency Pairs	Yes	

**EOD Reporting:**

Please refer to the table below for CME Clearing's plans to produce end of day reporting in both the New Release and Production environments for Martin Luther King, Jr. holiday.

Date	Product	Environment	EOD Reports Produced?
Monday, January 16, 2017	CDS	Production	Yes
	CDS	New Release (UAT)	Yes
	IRS	Production	Yes
	IRS	New Release (UAT)	Yes
	OTC FX	Production	Yes
	OTC FX	New Release (UAT)	Yes

**CDS Price Submission:**

CDS Price Submission Schedule			
Date		Early Close	Price Submission Required
Friday, January 13	USD-CDX	No	Yes
	EUR-iTraxx	No	Yes
Monday, January 16	USD-CDX	No	No
	EUR-iTraxx	No	Yes

If you have questions, please contact the CME Client Services Team at [onboarding@cmegroup.com](mailto:onboarding@cmegroup.com).