

 **CME Group** | Advisory Notice

TO: Clearing Member Firms  
Back Office Managers  
Service Providers

FROM: CME Clearing

ADVISORY #: 14-438

DATE: Wednesday, November 12, 2014

SUBJECT: **CME's message-based API for Collateral Transactions is now live**

We are pleased to announce that CME Clearing's message-based API for automating collateral transactions is now in full production for both CME Clearing and CME Clearing Europe.

CME now offers two versions of this application programming interface: (1) a true message-based API using industry-standard FIXML-format messages, and (2) a simpler file-based approach with easy-to-use CSV-format datafiles. Clearing firms wishing to automate collateral deposits and withdrawals may use either or both approaches.

Using the message-based API, the flow for a withdrawal request is as follows: (a) the firm sends a message requesting the withdrawal of a certain amount of a specific collateral asset; (b) the Clearing House responds with a message indicating that the withdrawal request has been accepted; (c) the Clearing House then sends another message confirming that the asset has been released. The flow for a deposit request is analogous: the firm sends a message requesting the deposit of a particular asset; the Clearing House responds with a message that the request has been received and accepted; and, the Clearing House further responds with a message confirming that the asset has been received and margin credit given.

With the file-based approach, the firm sends a datafile containing any number of deposit or withdrawal requests, and the Clearing House responds with another file indicating whether those requests have been accepted. Following that, the firm may receive datafiles showing the status of each collateral transaction processed for the business day so far.

Both versions of the API are fully live in production, and both are available to clearing firms in the New Release testing environment, for both CME Clearing and CME Clearing Europe. The API's currently support collateral automation for cash and securities transactions. CME Clearing will shortly expand the API's to cover automation for investment program (IEF-2 and IEF-5) transactions.

We are very pleased to work with clearing firms staff, to help you understand how the API's work; select the one which is right for your firm; and build, test and implement API support. As the clearing business expands and the number of collateral transactions increases, we know that the ability to automate these transactions has long been a goal for many firms.

- Full specifications for the FIXML message-based API are available at:  
<http://www.cmegroup.com/clearing/risk-management/files/cme-collateral-management-fixml-api.pdf>
- A shorter, more explanatory version of the FIXML collateral API spec is at:  
<http://www.cmegroup.com/clearing/risk-management/files/cme-collateral-api-fixml.pdf>
- And the detailed specification for the CSV-format file-based API is at:  
<http://www.cmegroup.com/clearing/risk-management/files/cme-collateral-api-csv.pdf>
- Clearing firms may also be interested in the Collateral On Deposit datafiles. These are simple CSV-format datafiles, available both at specific times of day and on request, that list each asset on deposit together with its margin value. Full specs for these files are at:  
<http://www.cmegroup.com/clearing/files/collateral-on-deposit-datafile.pdf>

For more information please contact CME Clearing's Collateral Services Unit at (312) 648-3775.