



TO: Clearing Member Firms; Back Office Managers

FROM: CME Clearing

ADVISORY #: 14-482

SUBJECT: **OTC Holiday Advisory – Christmas and New Year's Day**

DATE: December 15, 2014

CME Clearing will be open for clearing of all cleared OTC financial products on Christmas Day, Thursday, December 25<sup>th</sup>, 2014.

Please note that for all currencies, except Japanese Yen, CME Clearing will follow normal holiday processing procedures. Thus, trades will still clear real time, but will clear for the next clearing business day. For JPY-denominated trades, since Thursday, December 25<sup>th</sup> is a normal business day for Japanese Yen, CME Clearing will report and clear all JPY-denominated trades as per normal business day.

On New Year's Day, Thursday, January 1<sup>st</sup> CME Clearing will be closed and thus no clearing cycle will be processed for cleared OTC financial products.

For specific information on how this will impact CME Clearing's processing and trade submission timelines, please refer to the information below.

**Trade Submission/ Variation Margin Settlement/Price Alignment Interest:**

Please refer to the table below for information relating to trade submission and currency settlement dates for IRS, and PAI calculations:

Christmas Holiday						
Currencies		Bank Holiday	For trades submitted on Bank Holiday		PAI	
			Clear Date	Upfront Fee Settlement Date	Close Of Business Date	Days
T+1 Currencies	CAD, EUR, GBP	12/25, 12/26	12/29	12/30	12/24	5
	USD, MXN	12/25	12/26	12/29	12/24	2
T+2 Currencies	AUD, CHF, HKD, NZD, NZD, PLN, ZAR	12/25, 12/26	12/29	12/31	12/24	5
	CZK, DKK, HUF, NOK, SEK	12/24, 12/25, 12/26	12/29	12/31	12/23	6
	JPY	12/23	12/24	12/29*	12/22	2
	SGD	12/25	12/26	12/30	12/24	2

New Year's Holiday						
Currencies		Bank Holiday	For trades submitted on Bank Holiday		PAI	
			Clear Date	Upfront Fee Settlement Date	Close Of Business Date	Days
<b>T+1 Currencies</b>	CAD, EUR, GBP, MXN, USD	1/1	1/2	1/5	12/31	2
<b>T+2 Currencies</b>	AUD, CZK, HKD, NOK, PLN, SGD, ZAR	1/1	1/2	1/6	12/31	2
	CHF, HUF, NZD	1/1, 1/2	1/5	1/7	12/31	5
	DKK, SEK	12/31, 1/1	1/2	1/6	12/30	3
	JPY	12/31, 1/1, 1/2	1/5	1/7	12/30	6

For example, for CAD, EUR and GBP swaps submitted for clearing on Thursday, December 25<sup>th</sup>, 2014, will clear on December 25<sup>th</sup>, 2014 but the cleared date will be Monday, December 29<sup>th</sup>, 2014 as Friday, December 26<sup>th</sup>, is also a for these currencies. This means that the variation margin and upfront fees for these trades will settle on Tuesday, December 30<sup>th</sup>, 2014.

Swaps submitted for clearing on Thursday, January 1<sup>st</sup>, 2015 will clear on January 1st, 2015, but the cleared date will be the next valid business day in that currency.

OTC FX holiday information will be sourced from COPP CLARK.

**\*Special Case for JPY settlement on Monday, December 29<sup>th</sup>:**

As the settlement banks are closed on Christmas day, the value date for all JPY-denominated variation amounts in the end-of-day clearing cycle on Wednesday, December 24<sup>th</sup>, will be Monday, December 29<sup>th</sup> (to allow banks in the US and Europe to confirm settlements on Friday December 26<sup>th</sup>).

Payment Calculation Date	Currency	Adjusted Settlement Date
Wednesday, December 24 <sup>th</sup>	JPY	Monday, December 29 <sup>th</sup>

**Initial Margin Calculations:**

Close of Business Date	Product	Currencies	Will CME generate new IM requirements?
Thursday, December 25 <sup>th</sup> , 2014	IRS	All Currency Pairs	Yes
	CDS	USD	No
	OTC FX	All Currency Pairs	No

Close of Business Date	Product	Currencies	Will CME generate new IM requirements?
Thursday, January 1 <sup>st</sup> , 2015	IRS	All Currency Pairs	No
	CDS	USD	No
	OTC FX	All Currency Pairs	No

**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 both the Christmas and New Year's Day holiday.

Date	Asset Class	Environment	EOD Reports Produced?
Thursday, December 25 <sup>th</sup> , 2014	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
Thursday, January 1 <sup>st</sup> , 2015	CDS	Production	No
	CDS	New Release (UAT)	No
	IRS	Production	No
	IRS	New Release (UAT)	No
	OTC FX	Production	No
	OTC FX	New Release (UAT)	No

**CDS Price Submission:**

Product	Early Close	No Price Submission
USD	Wednesday, December 24 <sup>th</sup> , 2014	Thursday, December 25 <sup>th</sup> , 2014
	Wednesday, December 31 <sup>st</sup> , 2014	Thursday, January 1 <sup>st</sup> , 2015
EUR	Not Applicable	Not Applicable

On Wednesday, December 24<sup>th</sup>, 2014 and Wednesday, December 31<sup>st</sup>, 2014 CME Clearing will be following the schedule outlined below –

- **Publication of early CDS settlement price file:** 12:30 p.m. ET (11:30 a.m. CT)
- **Publication of Preliminary Dealer Feedback Files:** 2:05pm ET (1:05pm CT)
- **Dealer Price Submission Deadline:** 2:35 p.m. ET (1:35 p.m. CT)
- **Publication of Final PQA Dealer Feedback Files:** 2:45 p.m. ET (1:45 p.m. CT)

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

Regards,  
CME Clearing