

#15-208

TO: Clearing Member Firms
Chief Financial Officers
Back Office Managers

FROM: CME Clearing

SUBJECT: Canadian provincial debt, Australian sovereign debt and Singapore sovereign debt update

DATE: July 20, 2015

CME Clearing (CME) now accepts foreign sovereign debt from Australia and Singapore and Canadian provincial debt from Ontario and Quebec. Australian and Singapore sovereign debt, and Canadian provincial debt are acceptable for Base, CDS, and IRS performance bond requirements and are part of Category 4 assets for Base and IRS and Category 3 assets for CDS.

Before pledging any of the new acceptable collateral types, a mandatory test trade needs to be completed. For testing specifics and questions regarding these new collateral types, please call Collateral Services at (312) 648-3775.

Asset Class	Description	Haircut Schedule		Notes
		Time to Maturity		
		0 to ≤ 5 years	>5 to ≤10 years	
Foreign Sovereign Debt	Discount Bills from the following countries: <ul style="list-style-type: none">AustraliaSingapore	5%	--	<ul style="list-style-type: none">Australian debt is capped at \$250 million USDE per clearing memberSingapore debt is capped at \$100 million USDE per clearing member
	Notes and Bonds from the following countries: <ul style="list-style-type: none">AustraliaSingapore	6%	7.5%	
Canadian Provincials	Discount Bills from the following provinces: <ul style="list-style-type: none">OntarioQuebec	25%	--	<ul style="list-style-type: none">Canadian Provincial debt is capped at \$100 million USDE per clearing memberProvincials exceeding 5 years time to maturity are unacceptable
	Notes and Bonds from the following provinces: <ul style="list-style-type: none">OntarioQuebec	25%	--	