

FX Through CME ClearPort



CME ClearPort is a comprehensive set of flexible clearing services for mitigating counterparty risk in the over-the-counter (OTC) market. Launched in 2002 to provide centralized clearing and mitigate risk in the energy market, CME ClearPort now offers more than 1,500 OTC contracts for clearing across multiple asset classes.

CME Group's expanded services include clearing of CME ex-pit transactions for our FX products as well as NDFs. Block and Exchange for Physical (EFP) trades offer market participants enhanced efficiency by adding a new way in which to report and clear important transactions.

Benefits

- **Mitigated Risk**—When you clear through CME ClearPort, you have full access to our central counterparty clearing facility and financial safeguards.
- **Enhanced Efficiency**—Post-trade clearing and processing with CME ClearPort eliminates the expense of documentation with real-time trade confirmations and straight-through processing.
- **Access to Independent, Third-party Valuations**—CME ClearPort gives you access to neutral, third-party valuations and our daily mark-to-market process, which enables you to track positions accurately and assess risk.

Comprehensive Clearing Services

CME ClearPort capabilities for FX currently include Block and Exchange for Physical (EFP) Trades as well as clearing services for the Chilean Peso NDF. We are also working towards a roll-out of a full suite of cleared OTC FX products which includes 37 additional OTC FX contracts (11 Non-Deliverable Forwards (NDFs) and 26 Cash-Settled Forwards (CSFs)).

Block Trades

Benefits

- Retain control and convenience of privately negotiating a trade with a selected eligible counterparty
- Ability to execute a large transaction at a fair and reasonable single price
- Risk management provided by CME Clearing
- Designed to meet the needs of institutional traders

FX Block Trade Minimum Quantities

CME PRODUCTS	FUTURES	OPTIONS	FLEX OPTIONS
EUR/USD*, JPY/USD*	150 contracts	250 contracts	N/A
AUD/USD*, CAD/USD*, CHF/USD*, GBP/USD*, MXN/USD	100 contracts	250 contracts	N/A
EUR/GBP, EUR/CHF, EUR/JPY, NZD/USD, BRL/USD, CZK/USD, CZK/EUR, HUF/EUR, HUF/USD, ILS/USD, KRW/USD, PLN/USD, PLN/EUR, RMB/USD, RMB/EUR, RMB/JPY, RUB/USD, ZAR/USD, USD/TRY, EUR/TRY	50 contracts	250 contracts	N/A
AUD/CAD, AUD/JPY, AUD/NZD, CAD/JPY, CHF/JPY, EUR/AUD, EUR/CAD, EUR/NOK, EUR/SEK, GBP/JPY, GBP/CHF, NOK/USD, SEK/USD, USD/RMB	50 contracts	N/A	N/A
EUR/USD 1-MONTH REALIZED VOLATILITY, EUR/USD 3-MONTH REALIZED VOLATILITY	50 contracts	N/A	N/A

* The related E-mini and E-micro contracts on these products are NOT eligible for block trading.

Trade Submission Options and Timing

Customers have three options for submitting block trades

- CME ClearPort
- Globex Control Center (GCC)
- Front End Clearing Systems (FEC)

Block trades must be reported to the exchange by the seller within five minutes of the transaction. Block trades may be executed at any time, including times when the public auction market is closed.

For more information concerning block trades, visit the CME Group website at: cmegroup.com/blocks.

EFPs (Exchange for Physical)

Benefits

- Convenience of private negotiation
- Can be used with cash instruments
- Designed to assist institutional trading needs
- Risk management provided by CME Clearing

Products Available

- All CME FX futures products are EFP eligible, no minimum size required

Trade Submission Options and Timing

Customers have two options for submitting EFPs

- CME ClearPort
- Front End Clearing Systems (FEC)

EFPs may be executed at any time. However, an EFP transaction is not considered as having been accepted by the Clearing House until the transaction is matched and cleared, and the first payment of settlement variation and performance bond has been confirmed. Generally, EFPs must be submitted to CME ClearPort within one hour after the relevant terms have been determined.

For more information concerning EFPs, visit the CME Group website at: cmegroup.com/efp.

OTC U.S. Dollar/Chilean Peso Non-Deliverable Forwards (NDFs)

USD/CLP NDFs are now available to clear through CME ClearPort. Centrally cleared USD/CLP NDFs are designed to:

- Increase trading volume and build deeper liquidity in Chilean peso trading, due to freed-up credit lines
- Open trading access to new counterparties, previously limited by lengthy ISDA regulations

For more information visit cmegroup.com/fxclearing.

Getting Started

Getting started to clear trades through CME ClearPort is easy. Once an account has been established with a CME clearing member, you simply complete the online registration form. Once approved, you'll immediately be able to clear OTC trades as approved with the clearing member.

1. Establish an account with a CME, CBOT, NYMEX or COMEX clearing member, depending on the types of markets you wish to clear.
2. Visit www.cmegroup.com/clearport and complete the online Exchange User License Agreement (EULA) whether you are a broker or a trader.
3. Once you have received your username and password, contact the clearing or risk staff person at your clearing member firm and request that your clearing account be added to the RAV (Risk Allocation Value) Manager. You should inform your clearing firm as to which OTC brokers (if any) should be allowed to enter trades for clearing on your behalf. You will then be given permission for any markets you wish to clear.

CONTACT US

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