



## Introducing Portfolio Margining of Cleared OTC Interest Rate Swaps vs. Futures

As of May 7, 2012, CME Group offers unparalleled capital efficiencies via *portfolio margining of our Eurodollar and Treasury futures and Cleared OTC IRS products for house accounts*. We plan to offer the same capital efficiencies for customer accounts during the second half of the year, pending regulatory approval. This creates substantial cost savings for all market participants, reinforcing CME Group's position as an innovator and leader in the marketplace. IRS portfolio margining builds on the strength of our market leading interest rate products business, which had an average daily volume of \$3.6 trillion in 2011, and over \$28 trillion of notional outstanding.

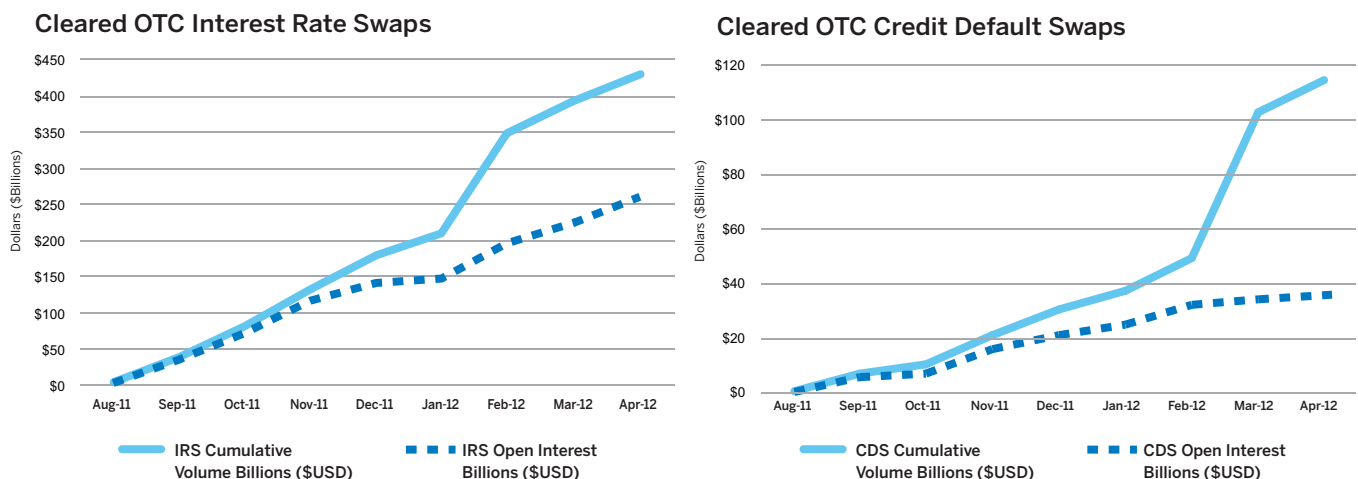
### MARGIN OFFSETS AGAINST FUTURES

Our preliminary analysis shows significant savings for margin offsets for house and customer accounts – savings of up to 85%.

### PROVEN DEMAND

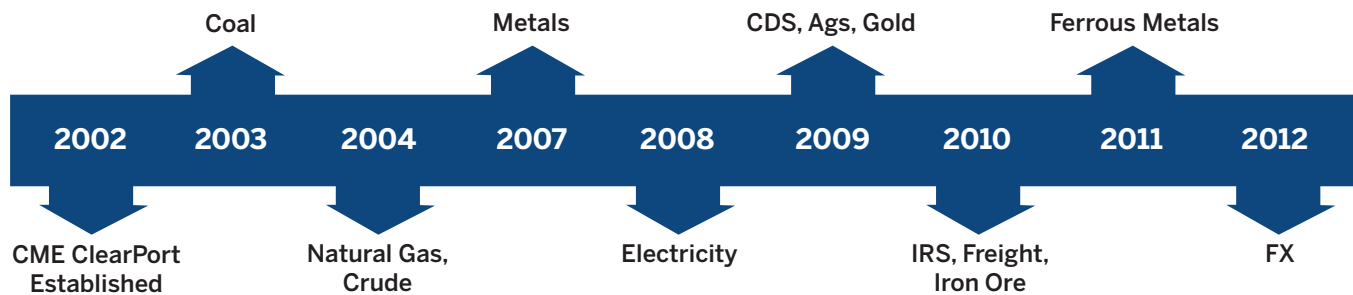
Demand for CME Group's Cleared OTC offerings continues to gain momentum. We have cleared more than \$555 billion in IRS, CDS and FX since launch, with open interest exceeding \$297 billion. This makes CME Group the leading OTC clearing service by U.S. customer volume.

## CLEARED OTC INTEREST RATE & CREDIT DEFAULT SWAPS IN BILLIONS (\$USD)



## A TRUE MULTI-ASSET CLASS OTC CLEARING SOLUTION

By working closely with buy side and sell side participants, CME Group has built a multi-asset class solution for IRS, CDS, FX and Commodities via one centralized clearing house. CME Group is the industry leader in OTC clearing, delivering a broad offering which began with CME ClearPort in 2002.



### RECENT OTC MILESTONES

**EUR IRS: Over €88.4 billion**

cleared since launching in October 2011

**GBP IRS: Over £1.1 billion**

cleared since launching in December 2011

**CDX HY Indices: Over \$17.9 billion**

cleared since launching in November 2011

**OTC FX: Cleared First NDF in USD/BRL**

### CUSTOMER ADOPTION

**1,800 ACTIVE CUSTOMER ACCOUNTS**

clearing through CME Group OTC Clearing

**2,500 CUSTOMER ACCOUNTS TESTING**

presently through CME Group's 16 clearing firms

## CORPORATE BONDS AS COLLATERAL FOR CLEARED OTC INTEREST RATE SWAPS

As of March 12, 2012, we expanded our already robust clearing collateral program to allow corporate bonds to be pledged as initial margin collateral for Cleared OTC Interest Rate Swaps. With this expansion, Clearing Members can now post up to \$3 billion in select assets, including corporate bonds, with specific limits determined by the needs and margin requirements of their customers.

**For more information on our OTC offerings, visit [cmegroup.com/otc](http://cmegroup.com/otc)**

**Or contact Jack Callahan, Director, OTC Products & Services:**

[jack.callahan@cmegroup.com](mailto:jack.callahan@cmegroup.com)

+1 312 454 8312

Futures trading is not suitable for all investors, and involves the risk of loss. Futures are a leveraged investment, and because only a percentage of a contract's value is required to trade, it is possible to lose more than the amount of money deposited for a futures position. Therefore, traders should only use funds that they can afford to lose without affecting their lifestyles. And only a portion of those funds should be devoted to any one trade because they cannot expect to profit on every trade. All references to options refer to options on futures.

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