

Unlocking Capital Efficiencies Across the Full Spectrum of Fixed Income Markets

An overview of the unmatched cross-margin opportunities available at CME Group

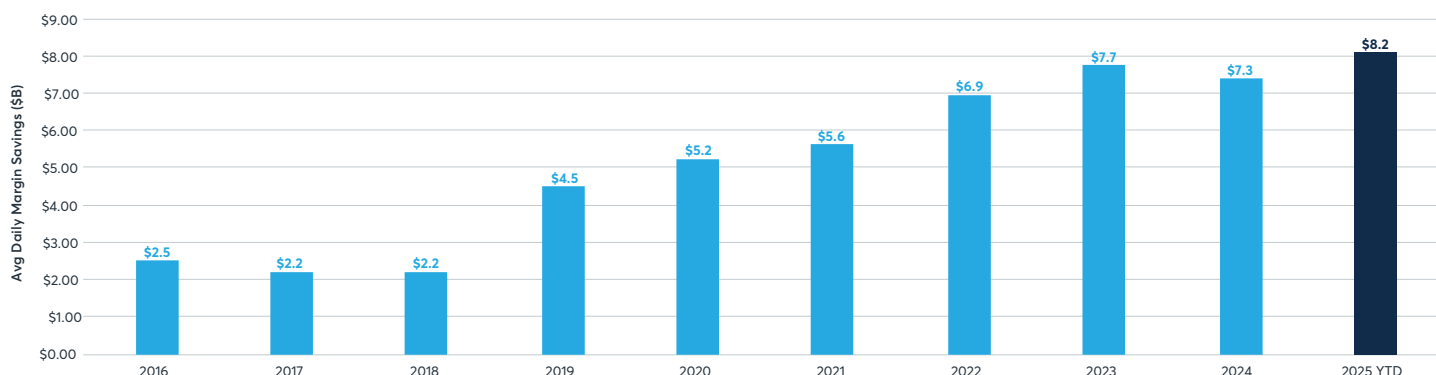
Capital efficiencies are top of mind for many market participants in today's environment. In light of this, we have made it a priority over the years to dedicate resources towards building out the most robust suite of offerings in the world of fixed income to help clients achieve savings. Below is a summary of the programs that are live today, as well as some exciting developments that we plan on bringing to market in the near future.

Available today

Portfolio Margining of Interest Rate Swaps vs. Interest Rate Futures (and Options)

- Currently generates over **\$8 billion** in daily margin savings for users.
- A common strategy where the levered hedge fund community (as well as other buy-side market participants) can often realize immediate benefits from this program is with invoice swap spreads, which are typically traded as an EFR package involving a UST futures contract and an offsetting CME Group-cleared USD interest rate swap.
 - For the IRS leg, the CME-LCH basis is an important variable to consider. However, we note that this basis from 5Y and in has become rather stable, with 2Y and in near zero. Additionally, we've observed that the capital savings from the **80-85% margin reduction** on these swap spread packages has the ability to outweigh the cost of hedging the basis even at longer tenors ([view whitepaper](#)).
- Resources
 - View slide six of the [overview presentation](#) for invoice spread examples.
 - Explore the [CME CORE margin calculator](#), which includes functionality to run hypothetical savings analyses.

Average Daily Portfolio Margining Savings (\$B), Data through Aug. 31, 2025



CME-FICC Cross-Margining for Common Clearing Members

- Launched in early 2024, this program generates up to 80% margin savings for offsetting pairs of cash USTs cleared at FICC versus our UST futures. Note, this 80% reduction is capped per regulatory guidance and is specific to the instruments that are allocated into the program.
- Currently available to house accounts of common clearing members at both CME Group and FICC, generating over \$1B in daily savings for its users.

Coming soon*

Late 2025: CME-FICC Cross-Margining for Clients

- Expansion of this program to indirect members (clients) is intended to be live from an operational standpoint by end of 2025, subject to regulatory approval, with clients onboarding from that point forward.
- Our team is currently working diligently with FICC to design a more seamless testing experience.
- The program can generate up to 80% margin savings for offsetting pairs of cash USTs cleared at FICC versus our UST futures. Note, this 80% reduction is capped per regulatory guidance and is specific to the instruments that are allocated into the program.
- For more information, view the [FAQ](#).

2026: Portfolio Margining Across CME Group and CME Securities Clearing

- Our securities clearing house is currently pending SEC approval, with go-live expectations set for 2026 ahead of the forthcoming clearing mandates.
- As soon as practicable after the go-live of CMESC, we plan to expand our Portfolio Margining program to include cash UST and Repo cleared through CMESC.
 - This will bring cash, swaps, futures and options on futures all under the CME Group umbrella to help participants achieve the broadest and most effective set of capital efficiencies possible across the full spectrum of fixed income.
- Visit the [CMESC homepage](#) for more information.

Please reach out to a member of our Interest Rate products team at interestrate@cmegroup.com if you have any questions or would like to discuss these programs in more detail.

**Pending relevant regulatory review periods.*

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