CME Group | Advisory Notice

TO: Clearing Member Firms; Back Office Managers

FROM: CME Clearing

ADVISORY #: 19-058

DATE: February 13, 2019

SUBJECT: **OTC IRS New Release Advisory – Enhanced Blending**

Please be advised that **Enhanced Blending** is available in the Deal Management System (DMS) in New Release as of February 13th. Both DMS enhancements will be available in Production on February 25th. DMS users may leverage Enhanced Blending to achieve additional gross notional reduction.

Enhanced Blending Overview:

Users may select Enhanced Blending "EB" in the DMS GUI or enter "EB" under the COMPRESSION_TYPE in the bulk upload file. The latest upload template is available on IntraLinks.

- **Enhanced Blending:** DMS users may select Enhanced Blending to apply fixed rates that minimize gross notional. Users will also be able to preview the proposed fixed rates on the remnants before scheduling the blend.
- **Configurable Fixed Rates Bulk Upload:** DMS users may explicitly specify high and low fixed rates for each Compression Group within a tolerance of 50% relative to the original rates. DMS users may specify the rates in the new REMNANT_FIXED_RATE column on the bulk upload file to compress multiple compression groups.

Please note that CME will continue to produce two remnants as part of coupon blending.

If you have any questions, please contact the CME Client Services Team at onboarding@cmegroup.com or 312.338.7712.

Regards,

CME Clearing