

TO: Clearing Member Firms; Back Office Managers

FROM: CME Clearing

ADVISORY #: 21-212

DATE: 06/18/2021

SUBJECT: OTC IRS Production Advisory – Unscheduled Holiday for CLP IRS

Please be advised that CME will observe the “Unscheduled Holiday” in the Santiago holiday calendar on Monday June 21, 2021. This observation is in response to the Chilean Congress approving a new national holiday in Chile (el Día de los Pueblos Indígenas), which will fall on June 21st this year. This is in line with the **EMTA Guidance Note on CLP/USD Non-Deliverable FX and Currency Option Transactions Under the EMTA Template Terms** that was issued on June 17, 2021 and the **Closed Days Template Guidance** provided by ISDA on June 18, 2021, applicable to relevant FX and Interest Rate Derivatives transactions under the 2006 ISDA Definitions and the 1998 FX and Currency Option Definitions.

Due to the closure of commercial banks and foreign exchange markets on this date, CME will treat this date as an “Unscheduled Holiday” for Valuation (fixing) and Payment for CLP-denominated interest rate swaps. All holiday calendars and end-of-day reporting will be updated to reflect this change beginning today.

#### **Impact to CME cleared CLP-denominated IRS**

**Valuation Date:** the valuation date (FX\_FIXING\_DATE on the IRS Trade Register) for CLP IRS will be subject to adjustment in accordance with the Following Business Day Convention. Trades with a valuation date of June 21, 2021 will be adjusted to the next good Business Day in Santiago (June 22, 2021).

**Settlement/Payment Date:** the settlement/payment date for CLP IRS coupons will be adjusted, subject to adjustment in accordance with the Following Business Day Convention, for those swaps that settle/pay on June 21, 2021.

#### **Definition of “Unscheduled Holiday” in the recommended EMTA Template Terms for CLP/USD Non-Deliverable FX and Currency Option Transactions:**

*“Unscheduled Holiday” means that a day is not a Business Day and the market was not aware of such fact (by means of a public announcement or by reference to other publicly available information) until a time later than 9:00 a.m. local time in the Principal Financial Center(s) of the Reference Currency two Business Days prior to the Scheduled Valuation Date.*

For questions, please contact the CME Client Services Team at [onboarding\\_clearing@cmegroup.com](mailto:onboarding_clearing@cmegroup.com) or +1 312 338 7112.

Regards,

CME Clearing