

TO: Clearing Member Firms; Back Office Managers

FROM: CME Clearing

ADVISORY #: 24-031

DATE: 01/29/2024

SUBJECT: OTC IRS Production – MXN Funding TIIE and PLN WIRON OIS Clearing

Please be advised that CME will support MXN Overnight TIIE Funding Rate (F-TIIE) and PLN Warsaw Interest Rate Overnight (WIRON) swap clearing in the Production environment on Monday, February 5, 2024.

MXN F-TIIE OIS – F-TIIE is an overnight rate referencing the Mexican overnight secured interbank funding market for Mexican pesos. Banco de México is the calculation agent and publisher of this daily rate. F-TIIE is the alternative reference rate to the 28-day TIIE.

- CME will support F-TIIE OIS out to 31 years of maturity (11,333 calendar days)
- The floating coupon references “MXN-TIIE ON-OIS Compound” as published in the ISDA 2021 Definitions
- CME will use the CME-calculated MXN overnight rate for Price Alignment Amount (PAA) and the F-TIIE discounting curve for Variation Margin and Initial Margin computations
- There will be an additional F-TIIE discount factor file report published at OTC clearing firms’ shared sFTP site.
 - IRSDFR_FTIIIE_YYYYMMDD.csv
- The existing Curve file will continue to be available in the sFTP location with the additional F-TIIE curve inputs included:
 - IRS_MXN_CURVE_YYYYMMDD.csv
- CME will add a new row for F-TIIE in the Base Curve and Scenario market data file to assist in Initial Margin replication:
 - Base_Curves_YYYYMMDD.csv
 - Scenario_Market_Data_CME_YYYYMMDD.csv
- CME CORE and the CORE API will support MXN F-TIIE-based OIS swaps for hypothetical and cleared portfolio upload consistent with the above.
- Optimizer software will support portfolios with F-TIIE swaps;

PLN WIRON OIS – WIRON is a transaction-based index that reflects the overnight Polish market. GPW Benchmark is the calculation agent and publisher of the overnight rate. WIRON is the alternative reference rate to the PLN-WIBOR.

- CME will support PLN-WIRON OIS out to 11 years of maturity (4,028 calendar days)
- The floating coupon references “PLN-WIRON-OIS Compound” as published in the ISDA 2021 Definitions
- CME will use the WIRON overnight rate for Price Alignment Amount (PAA) and the WIRON discounting curve for Variation Margin and Initial Margin computations
- There will be an additional WIRON discount factor file report published at OTC clearing firms’ shared sFTP site.
 - IRSDFR_WIRON_YYYYMMDD.csv
- The existing Curve file will continue to be available in the sFTP location with the additional WIRON curve inputs included:
 - IRS_PLN_CURVE_YYYYMMDD.csv
- CME will add a new row for WIRON in the Base Curve and Scenario market data file to assist in Initial Margin replication:
 - Base_Curves_YYYYMMDD.csv
 - Scenario_Market_Data_CME_YYYYMMDD.csv
- CME CORE and the CORE API will support PLN WIRON-based OIS swaps for hypothetical and cleared portfolio upload consistent with the above.
- Optimizer software will support portfolios with WIRON swaps;

For questions, please contact the CME Client Services Team at onboarding@cmegroup.com or 312.338.7112.

Regards,

CME Clearing