


**CME Group** | Advisory Notice

TO: Clearing Member Firms; Back Office Managers

FROM: CME Clearing

SUBJECT: **OTC Holiday Advisory – Independence Day**

On Wednesday, July 4, 2018, CME Clearing will be open to clear trades. Due to the holiday, however, there will be several impacts to CME Clearing’s processing and trade submission timelines for OTC products. For details on these impacts, please see the tables below.

**Trade Submission and Variation Margin Settlement:**

Trade Date	Asset Class	Currency	Clear Date	Upfront Fee Settlement Date
<b>Wednesday, July 4, 2018</b>	IRS	USD, BRL, KRW, INR	Thursday, July 5 <sup>th</sup>	Friday, July 6 <sup>th</sup>
		All other T+1 Currencies	Wednesday, July 4 <sup>th</sup>	Thursday, July 5 <sup>th</sup>
		All other T+2 Currencies	Wednesday, July 4 <sup>th</sup>	Thursday, July 5 <sup>th</sup>
	CDS	USD-CDX EUR-iTraxx	Thursday, July 5 <sup>th</sup> Wednesday, July 4 <sup>th</sup>	Friday, July 6 <sup>th</sup> Thursday, July 5 <sup>th</sup>

Since July 4, 2018 is a USD holiday (Independence Day) USD swaps submitted on Wednesday, July 4, 2018 will clear on Thursday, July 5<sup>th</sup>, 2018 and will settle on Friday, July 6, 2018. BRL, KRW and INR swaps submitted on Wednesday, July 4, 2018 will clear on Thursday, July 5, 2018 as these currencies are non-deliverable and settle in USD. For all other currencies it will be business as usual.

OTC FX holiday information will be sourced From COPP CLARK.

**Price Alignment Amount:**

The table below provides information related to PAA calculation for Independence Day.

Close of Business Date	Currency	Number of Days for PAA
<b>Tuesday, July 3, 2018</b>	USD, BRL, INR, KRW	2
	All other Currencies	1

**Initial Margin Calculations:**

Close of Business Date	Product	Currencies	Will CME generate new IM requirements
Tuesday, July 3, 2018	IRS	All Currencies	Yes
	CDS	USD-CDX	Yes
		EUR-iTraxx	Yes
OTC FX	All Currency Pairs	Yes	

**EOD Reporting:**

Please refer to the table below for CME Clearing's plans to produce end of day reporting in both the New Release and Production environments for the Independence Day holiday.

Date	Product	Environment	EOD Reports Produced
Wednesday, July 4, 2018	CDS	Production	Yes
	CDS	New Release (UAT)	Yes
	IRS	Production	Yes
	IRS	New Release (UAT)	Yes
	OTC FX	Production	Yes
	OTC FX	New Release (UAT)	Yes

**CDX and iTraxx Price Submission:**

CDX Price Submission Schedule			
Date		Early Close	Price Submission required
Tuesday, July 3, 2018	USD-CDX	Yes	Yes
	EUR-iTraxx	No	Yes
Wednesday, July 4, 2018	USD-CDX	No	No
	EUR-iTraxx	No	Yes

On Tuesday, July 3rd, 2018, CME Clearing will be following the schedule outlined below -

- **Publication of early CDX settlement price file:** 12:30 p.m. ET (11:30 a.m. CT)
- **Publication of Preliminary Dealer Feedback Files:** 1:05pm ET (12:05pm CT), 1:35pm ET (12:35pm CT), 2:05pm ET (1:05pm CT)
- **Dealer Price Submission Deadline:** 2:35 p.m. ET (1:35 p.m. CT)
- **Publication of Final PQA Dealer Feedback Files:** 2:45 p.m. ET (1:45 p.m. CT)
- **Publication of final CDX settlement price file:** 3:30 p.m. ET (2:30 p.m. CT)

If you have questions, please contact the CME Client Services Team at [onboarding\\_clearing@cmegroup.com](mailto:onboarding_clearing@cmegroup.com).

Regards,  
CME Clearing