

# Leading the Way in USD Swaps Clearing

Supporting Rates Markets Globally

**LCH** The Markets' Partner

**SwapClear**

LCH continues to be the CCP of choice for delivering access to global liquidity. Our US client base forms an important part of our global service and contributes to LCH SwapClear's unparalleled, deep pools of interest rate swap liquidity.

In 2021, more clients cleared USD than ever before, and USD continues to be the largest currency by clearing volume at SwapClear. Whether a client trades only USD or has a global multi-currency portfolio, LCH caters for all OTC clearing needs.

## KEY BENEFITS

01. Access deep IRS liquidity in USD and 26 other currencies
02. Manage a smooth transition from USD LIBOR
03. Increase stability and predictability with proven risk management and robust, reliable margin models
04. Achieve margin, capital, and operational efficiencies

## TRUSTED PARTNER FOR USD CLEARING

**96%\***

share of the total USD notional cleared in Q3 2021

**730%**

year-on-year growth in SOFR notional registered at SwapClear

**46%**

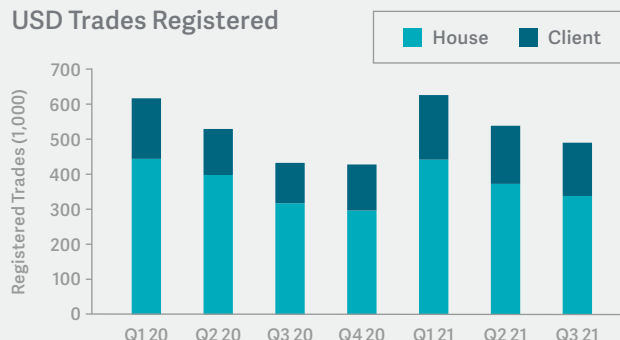
USD share of SwapClear's total notional registered in 2021

**74%**

of SwapClear's active clients in 2021 clear USD swaps

USD trade count remains strong and growing year-on-year. Every quarter in 2021 has outperformed its equivalent quarter in 2020.

## USD Trades Registered



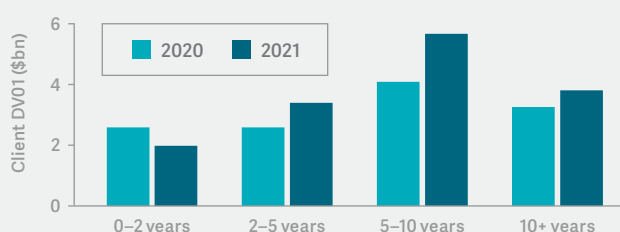
## DEEPLY LIQUID AND DIVERSE MARKETS

### Liquidity Along the USD Curve

LCH connects customers to a truly global pool of liquidity, delivering unrivalled execution depth along the USD curve.

In 2021, SwapClear saw an increase in risk from USD swaps, as the large notional, short end flow of Q1 2020 was switched out in favour of longer dated activity.

### USD Client DV01

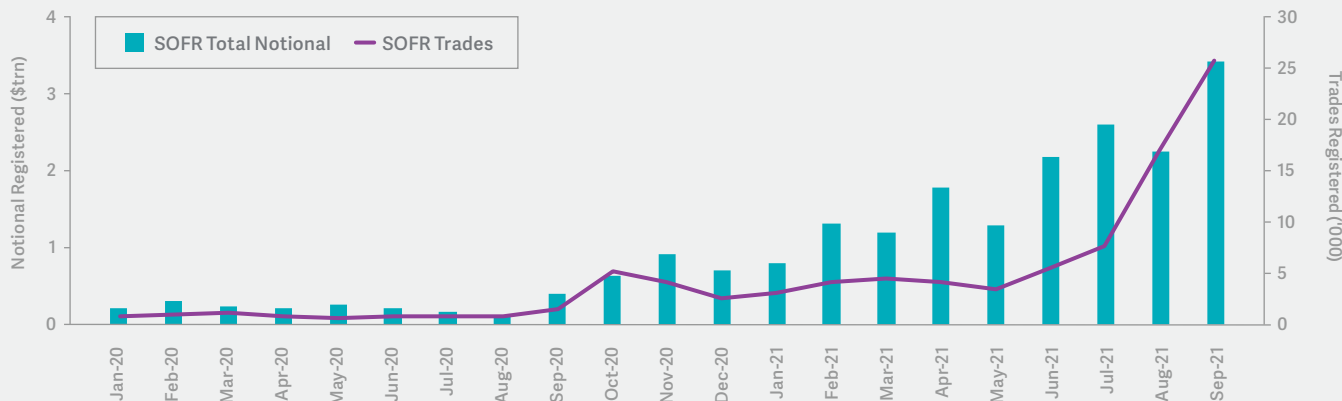


## USD CLEARING – SPOTLIGHT ON SOFR

### SOFR – Volumes

LCH was the **first clearing house** to offer clearing of USD IRS referencing SOFR, and volumes have continued to gain momentum since launch.

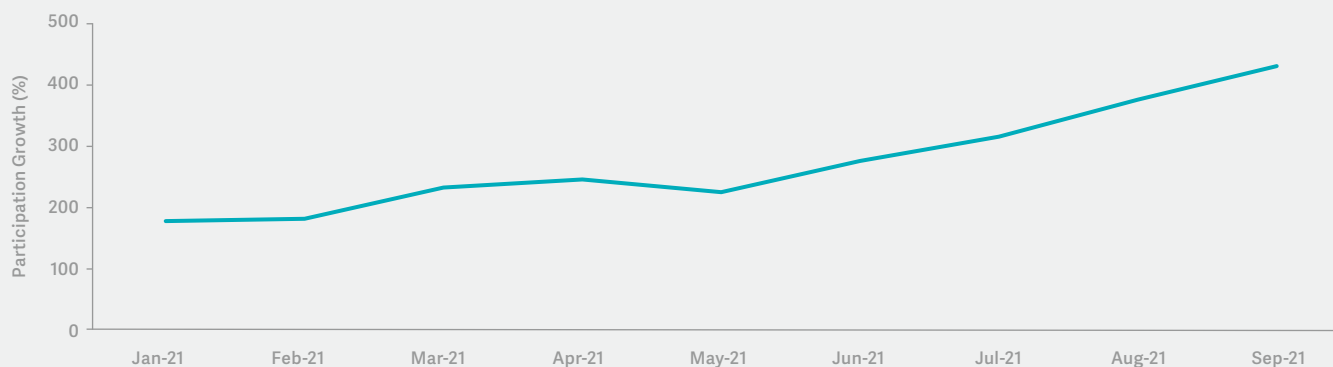
In 2021, **\$16.8 trn** SOFR notional has been registered, an increase of **730% year-on-year**, with SOFR notional accounting for **11%** of the total USD notional registered in September 2021.



### SOFR – Client Participation

**Over 90%\*** of the total SOFR notional registered for clearing is done through SwapClear. Access to SwapClear’s deep liquidity pool, supported by our global client base, is driving consistent growth in client participation, with approximately three times more clients clearing SOFR swaps on a monthly basis.

#### Active Clients Monthly vs 2020 FY Average



\*Share of USD cleared notional according to Clarus FT: <https://www.clarusft.com/cleared-swap-volumes-and-share-3q-2021/>

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