

# LCH

## ForexClear

### A global leader

LCH ForexClear is LCH's foreign exchange clearing solution for deliverable and non-deliverable OTC FX products. As a leading provider of OTC FX clearing services, ForexClear works closely with market participants to develop innovative solutions that meet the growing global demand for OTC FX clearing — delivering capital, margin and operational efficiencies and enhanced risk management.

#### ForexClear at a glance

##### VOLUMES

## \$11.2bn

FX Options average daily volume (ADV) cleared in Q3 2023, up **146%** vs Q3 2022, with \$13bn ADV cleared in September 2023

## \$99.7bn

Non-Deliverable Forward (NDF) ADV cleared in Q3 2023, with **\$105bn** ADV cleared in September 2023

## \$3.1bn

Client NDF ADV cleared in Q3 2023, up **45%** vs Q3 2022

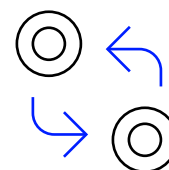
##### PRODUCT OFFERING

## 25

NDF currency pairs (**15** Emerging Market and **10** G10 pairs)

## 8

Deliverable currency pairs clearing in spot, forwards and vanilla options



#### Key benefits

ForexClear is supported by global regulatory encouragement to clear OTC FX derivatives and delivers the following benefits to participants:

## 01.

##### Margin reductions

- Potential for lower margin requirements vs bilateral margin
- Removes reliance on uncleared margin models

## 02.

##### Capital optimisation

- SA-CCR reduction through multilateral netting and STM benefits
- Improved leverage ratio impact

## 03.

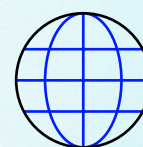
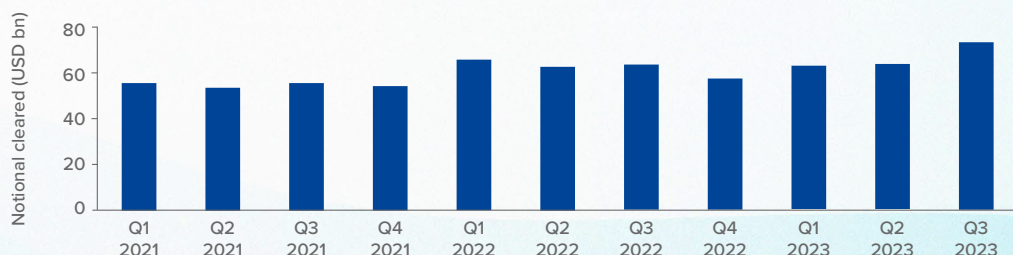
##### Operational efficiencies

- Single margin model
- Tailor-made initial and variation margin prices
- Credit intermediation benefits

#### ForexClear service volumes

Driven by strong participation in cleared deliverable and non-deliverable volumes, the service cleared **\$7.3trn** in total notional in Q3 2023.

##### TOTAL SERVICE VOLUME (ADV)



## \$112bn

Total ForexClear ADV in Q3 2023, up **17%** vs Q3 2022

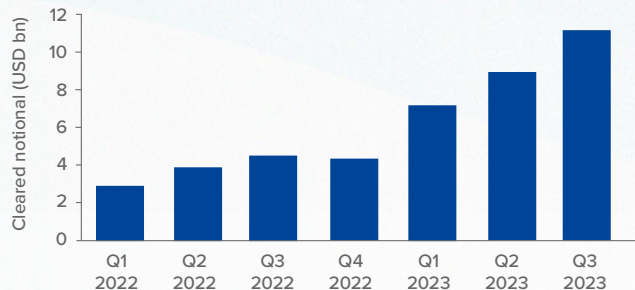


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## Deliverable FX options clearing<sup>1</sup>

ForexClear recorded three consecutive record quarters in **FX Options notional cleared**, with **\$727bn** cleared in Q3 2023, up **142%** vs Q3 2022. ADV reached a new high of **\$12.9bn** in September 2023, representing a **231%** increase vs 2022 (full year).

### FX OPTIONS ADV

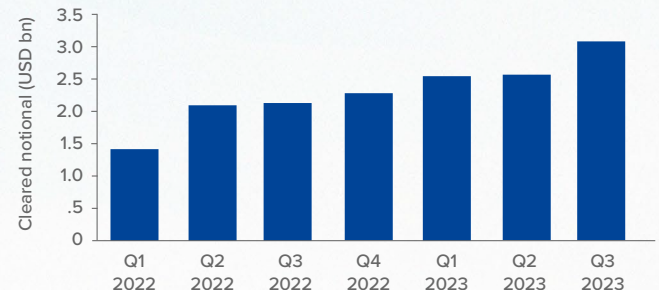


<sup>1</sup>The FX deliverable service is currently only available to clearing members

## Non-deliverable FX client clearing

Q3 2023 was the seventh consecutive record quarter for client NDF clearing, with **\$201bn** notional cleared in Q3 2023, up **43%** vs Q3 2022. Client NDF clearing ADV of **\$3.1bn** in September 2023 represents a **54%** increase vs 2022 (full year).

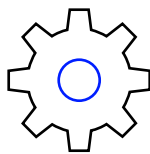
### CLIENT CLEARING ADV



## Coming soon to ForexClear<sup>2</sup>

### FX Smart Clearing

ForexClear is developing a selective deliverable FX forwards and FX swaps clearing process called “**FX Smart Clearing**” to help maximise capital benefits, without impacting initial margin. Find out more about Smart Clearing: [Smart Clearing Solving Capital Challenges](#)



<sup>2</sup>Initiatives subject to regulatory approval

\$ refers to US dollar

### NDF Matching

ForexClear is partnering with LSEG FX on **NDF Matching**, which is a new platform allowing straight-to-clearing-from-execution, to make the journey to clearing more streamlined and efficient. Find out more about NDF Matching: [FX Venues Replatforming to Millennium Core Technology | LSEG](#)

To learn more about the current suite of clearable products that ForexClear offers, visit: [ForexClear/What We Clear](#)

Sign up for the latest news and insights [here](#).



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