

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

US\$13bn

FX Options average daily volume (ADV) in Q4 2023, up **213%** vs Q4 2022

US\$3bn

Client non-deliverable forward (NDF) ADV in Q4 2023, up **41%** vs Q4 2022

US\$106bn

NDF ADV in Q4 2023, up **25%** vs Q4 2022

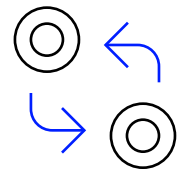
PRODUCT OFFERING

25

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

8

Deliverable currency pairs clearing in spot, forwards and vanilla options clearing



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.

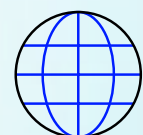
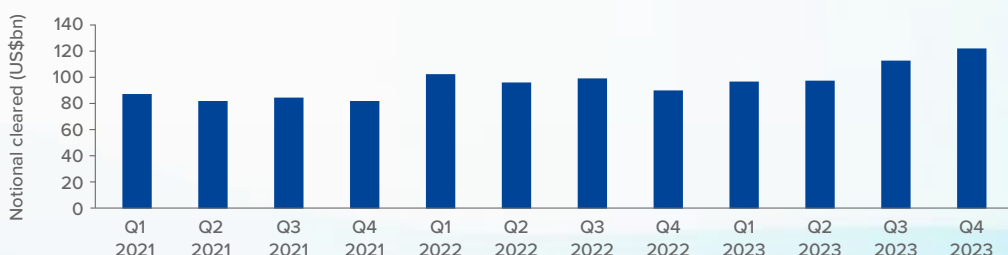
Operational efficiencies

- 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-deliverables volumes, the service cleared US\$7.8trn in total notional in Q4 2023.

TOTAL SERVICE VOLUME (ADV)



US\$121bn

Total service ADV in Q4 2023, up **36%** vs Q4 2022



LSEG

POST TRADE

Deliverable FX Options clearing¹

ForexClear recorded four consecutive record quarters in **FX Options notional cleared**, with record **US\$858bn** in Q4 2023, up **213%** vs Q4 2022. ADV reached a new high of **US\$13.4bn** in Q4 2023.

FX OPTIONS ADV

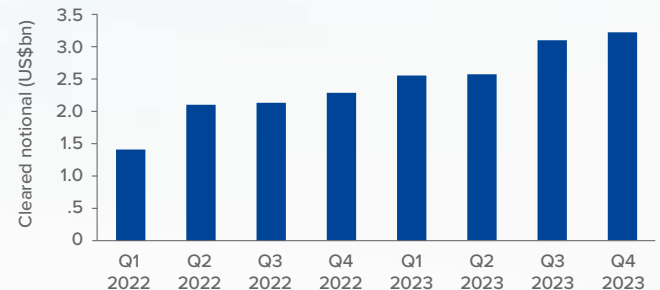


¹The FX deliverable service is currently only available to clearing members

Non-deliverable FX client clearing

Q4 2023 was the eighth consecutive record quarter for client NDF clearing, with **US\$206bn** notional cleared in Q4 2023, up **41%** vs Q4 2022. Client NDF clearing ADV achieved **US\$3.2bn** in Q4 2023.

CLIENT CLEARING ADV



ForexClear products live in 2023

FX Smart Clearing

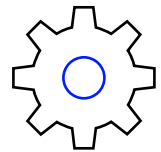
ForexClear developed a selective deliverable FX forwards and FX swaps clearing process called **"FX Smart Clearing"** to help maximise capital benefits, without impacting initial margin. Find out more: [Smart Clearing factsheet](#)

NDF Matching

ForexClear partnered 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: [NDF Matching](#)

Future delivery aims

- Deliverable forwards and vanilla FX options for clients
- New currency pairs with all CLS eligible currencies
- Clearing of CNH



To learn more about the current suite of clearable products that ForexClear offers, visit: [forexclear/what we clear](#)

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