

## LCH achieves a record year for volumes in 2017

- Continued growth across multiple asset classes in both LCH Ltd and LCH SA
- Increased activity driven by new customers and additional flows from existing customers
- \$873 trillion in notional cleared at SwapClear in 2017; \$608 trillion notional compressed

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LCH, a leading global clearing house, today announced record volumes across multiple clearing services in 2017. LCH's equities, fixed income, and OTC derivatives clearing services all surpassed previous years' clearing activity. Volumes growth across the business has been driven by the roll-out of new products, effects of regulatory change and the onboarding of new customers across the world.

Daniel Maguire, Group CEO, LCH, said: "2017 has been another strong year for LCH across all our business areas. We've seen significant growth in volumes across multiple asset classes driven by new customers as well as additional flow from existing customers. The Group is committed to its Open Access approach, working in partnership with our customers to promote greater choice and innovation, reducing risk and maximising capital and operational efficiencies. In 2018, we look forward to continuing to partner with our customers, as we look to add additional products and services to our existing wide range spanning the cleared and increasingly the non-cleared market."

During 2017, LCH's interest rate derivatives clearing service, **SwapClear**, processed over **\$873 trillion in notional**. Members and their clients increased their flows through LCH by 31%, compared with 2016. This volume increase was driven by significant onboarding of new clients across Europe, the Americas and Asia Pacific. For **inflation swaps**, over **\$3.1 trillion was cleared** in 2017 across members and their clients, almost three-times the volume processed in the previous year. Compression volumes also continued to rise, with over **\$608 trillion compressed** over the year, up 58% on levels from 2016.

LCH's FX derivatives clearing service, **ForexClear**, delivered very strong growth in 2017, as members and their clients directed increasing emerging market NDF volumes into clearing to achieve greater efficiencies. In 12 months, **ForexClear processed over \$11 trillion in notional**, up from approximately \$3.2 trillion in 2016. The service also successfully launched clearing of G10 NDFs in Q4 2017

At **RepoClear**, the business reported the largest nominal amount cleared in the service's history, with **€175 trillion cleared** across LCH Ltd and LCH SA, up almost 25% from 2016. This increase in activity follows the introduction of new markets to LCH SA and a new buy-side clearing model in LCH Ltd. LCH Ltd's **EquityClear** service also had a strong year, with **more than 1 billion trades processed in 2017**, setting a new record.

CDSClear also achieved significant growth and increased its market share, with a record of **€1.1 trillion in notional processed across its CDS index, and single names offering**. LCH recently became the first CCP to clear credit index options, adding to its USD and EUR CDS product offering, which is the broadest of any clearing house.

In September 2017, LCH SwapAgent, a service for the non-cleared derivatives market, processed its first trades. 14 banks have confirmed their support for the service, which has also gone live with cross-currency basis swaps, and is planning to launch a swaptions offering in 2018.

In 2018, LCH will further expand its SwapClear product offering, with plans to introduce Non Deliverable Interest Rate Swaps in Chinese Yuan, Korean Won, and Indian Rupee, subject to regulatory approval. LCH is also planning to extend its portfolio margining solution, LCH Spider to allow Long Term Interest Rate Futures to be offset with eligible swaps. The clearing of FX Options at LCH is due to launch in 2018, subject to regulatory

approval. RepoClear will extend clearing of more EU debt and start offering its sponsored clearing service in LCH SA.

### **For further information**

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### **About LCH**

LCH is a group of leading multi-asset clearing houses that provides proven risk management capabilities across a range of asset classes. As demand for robust clearing services continues to grow, LCH is committed to maintaining the highest standards of risk management across all our services.

As the markets' partner, LCH operates an open access model, offering a choice of execution venues, delivering unprecedented choice and efficiencies to the marketplace.

LCH operates clearing houses around the world, with clearing houses incorporated in the UK, France and the United States with additional offices in the Asia Pacific region. It offers clearing services across asset classes including OTC and listed rates; CDS and FX; fixed income; commodities; cash equities and equity derivatives. LCH also serves the non-cleared derivatives market through LCH SwapAgent, a new service which extends the efficiencies and infrastructure of clearing to the market, without acting as a central counterparty.

LCH is majority owned by London Stock Exchange Group (LSE.L), an international markets infrastructure business that sits at the heart of the world's financial community.

Further information on LCH can be found at [www.lch.com](http://www.lch.com)