

# ForexClear compresses \$4.5 billion of cleared notional

- Citi and Standard Chartered Bank among first clearing members to actively use ForexClear's compression service
- Compression enables members and their clients to improve capital and operational efficiency by reducing notional outstanding

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LCH, a leading global clearing house, today announced that ForexClear members have reduced their notional outstanding by \$4.5 billion through the use of the service's compression solution. Citi and Standard Chartered Bank are among the first participants to actively compress their trades at ForexClear.

Compression is the process by which clearing members and their clients can eliminate offsetting trades to reduce notional outstanding and the number of line items in a portfolio. Capital requirements such as those introduced under the Basel III leverage ratio have incentivised banks to reduce notional outstanding.

Tamaryn Nuttall, Head of ForexClear Product, LCH, said: "Growth in FX clearing volumes has led to demand for solutions that drive down notional outstanding and contribute to greater capital and operational efficiency. Compressing \$4.5 billion in cleared NDF notional is a significant milestone for LCH. We expect uptake of compression services to accelerate significantly over the coming year as clearing volumes continue to grow and as we expand our compression offering."

Matt Turner, Director FM Balance Sheet Management, Standard Chartered Bank, said: "Having seen the benefits of compression in our rates business, we're delighted to be an early adopter of compression at ForexClear. It's an effective way to reduce our notional outstanding and improve operational efficiency."

ForexClear's compression offering covers both standard and blended rate solo compression.

## 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)