

LCH SwapAgent facilitates its first cross-currency swap compression

- TriOptima compresses €4.5 billion notional of settled-to-market (STM) cross-currency swaps registered in LCH SwapAgent
- LCH SwapAgent offers standardised infrastructure and efficiencies to the non-cleared derivatives market

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LCH SwapAgent, a service for the non-cleared derivatives market, announces that for the first time, trades registered in LCH SwapAgent were successfully compressed in TriOptima's multilateral USD/EUR cross-currency swap compression cycle. Using its triReduce compression service, €4.5 billion in notional of trades registered in SwapAgent were compressed. During the run, SwapAgent and non-SwapAgent trades were blended together to achieve maximum benefits.

Compression is the process by which members 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.

Nathan Ondyak, Global Head of LCH SwapAgent, said: "We're delighted to have worked with TriOptima to achieve this meaningful reduction in notional outstanding on behalf of our customers. As members continue to onboard and use LCH SwapAgent to standardise and improve the processing of non-cleared OTC derivatives, we anticipate that uptake of these compression services will continue to grow."

Peter Weibel, Co-CEO TriOptima, said: "We are pleased to expand our service to compress trades registered in SwapAgent. Our collaboration with LCH SwapAgent is an important addition to the multiple venues that are already supported by the triReduce compression service."

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