ForexClear overview

ForexClear at a glance

<table>
<thead>
<tr>
<th>25 non-deliverable forward currency pairs (15 Emerging Market and 10 G10 pairs)</th>
<th>9 non-deliverable FX option currency pairs</th>
<th>24/5.5 Trades can be registered 24 hours a day, 5.5 days a week.</th>
</tr>
</thead>
<tbody>
<tr>
<td>NDF Fees</td>
<td>Client</td>
<td></td>
</tr>
<tr>
<td>EMTA NDF / Million</td>
<td>US $2</td>
<td></td>
</tr>
<tr>
<td>Non-EMTA NDF / Million</td>
<td>US $1</td>
<td></td>
</tr>
</tbody>
</table>

Please visit ForexClear/What We Clear/LCH Group for more details on products and fees.

ForexClear total service volumes

In Q2 2023, the service cleared $6.3 trn in total notional. This was driven by strong participation in cleared deliverable and non-deliverable volumes. ForexClear has over 100 participants in the service, of which 65 are clients.

*Deliverable service is for members only

Client clearing highlights

− $2.6 bn client NDF Average Daily Volume cleared in Q2 2023, up 22% vs Q2 2022.
− $167 bn client notional cleared in Q2 2023, with Q2 2023 becoming the sixth consecutive record quarter for client NDF volumes since Q1 2022. Record week and month volumes also achieved in Q2 2023.

Top 5 FX non-deliverable currency pairs

<table>
<thead>
<tr>
<th>Currency</th>
<th>Q2 Volume USD bn</th>
<th>Q2 Average Daily Volume USD bn</th>
</tr>
</thead>
<tbody>
<tr>
<td>USD / KRW</td>
<td>1,262</td>
<td>19.4</td>
</tr>
<tr>
<td>USD / TWD</td>
<td>1,162</td>
<td>17.9</td>
</tr>
<tr>
<td>USD / INR</td>
<td>1,126</td>
<td>17.3</td>
</tr>
<tr>
<td>USD / BRL</td>
<td>673</td>
<td>10.4</td>
</tr>
<tr>
<td>USD / IDR</td>
<td>368</td>
<td>5.7</td>
</tr>
</tbody>
</table>

Client NDF volume

To find out more about ForexClear volumes please visit: https://www.lch.com/services/forexclear/volumes
Why should you clear?

- **Operational risk reduction** – one setup provides access to multiple counterparties, with one rulebook for all participants.

- **Margin efficiencies** – clearing offers multilateral netting benefits, as multiple bilateral margin requirements are netted down into one single margin requirement against LCH, independent of counterparty and across currency and tenor.

- **Margin optimisation** – calculations can be more favourable against the CCP vs SIMM calculations depending on the currency pair.

- **Operational risk reduction** – reduce counterparty credit exposure, as LCH becomes the central counterparty once trades are cleared. Rigorous default management process in place, with proven track record in volatile market situations.

- **Access to liquidity** – significant growth in FX clearing is leading to changing market dynamics, where banks increasingly request interbank counterparties to clear, and move toward deliverable forwards clearing as well as pre-execution clearing.

- **Counterparty credit risk reduction** – reduce counterparty credit exposure, as LCH becomes the central counterparty once trades are cleared. Rigorous default management process in place, with proven track record in volatile market situations.

**ForexClear products coming soon**

**NDF matching platform**

In partnership with Refinitiv – the first NDF matching platform against the CCP vs SIMM calculations depending on the currency pair.

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

**Future delivery aims**

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

**How to clear with ForexClear**

01. Find eligible Clearing Broker. ForexClear currently has 12 ICMs and 9 FCMs

02. Use Margin Calculator to understand collateral requirements

03. Consider execution to clearing journey through PXall, Bloomberg, FXConnect or others

04. Engage with ForexClear onboarding team and begin clearing!

Please visit https://www.lch.com/membership/member-search to find current members to the service

NDF matching platform

In partnership with Refinitiv – the first execution platform with pre-trade intent to clear

*Subject to regulatory approval

To opt in to newsletters, visit: https://solutions.lseg.com/Regular-ClearingVolumes-Update

Disclaimer

This document has been provided to you for informational purposes only and is intended as an overview of certain aspects of, or proposed changes to, the SwapClear, Listed Interest Rates, SwapAgent and/or any other service provided by LCH Group Holdings Limited ("LCH Group") or any of its group undertakings (group undertakings shall be construed in accordance with section 469 of the Companies Act 2006; each an "LCH Group Company").

LCH Limited is supervised by the Bank of England within the UK regulatory framework, registered as a derivatives clearing organisation with the U.S. Commodity Futures Trading Commission ("CFTC") and recognised as a third-country CCP under Regulation (EU) No. 648/2012 of the European Parliament and of the Council of 4 July 2012 on OTC derivatives, central counterparties and trade repositories ("EMIR"). LCH S.A. is regulated and supervised in France by the Autorité des Marchés Financiers, the Autorité de Contrôle Prudentiel et de Résolution and the Banque de France, authorised as an E.U. CCP under EMIR, registered as a derivatives clearing organisation with the CFTC and as a clearing agency with the U.S. Securities and Exchange Commission. LCH Limited and LCH S.A. also hold licenses or authorisations in other jurisdictions in which they offer their services. More information is available at www.lch.com.

The relationship of an LCH Group Company with its members is governed solely by its rulebook and certain other ancillary documentation, as applicable. This document does not, and does not purport to, contain a detailed description of any aspect of a service provided by an LCH Group Company or any other topics discussed in this document, and it has not been prepared for any specific person. This document does not, and does not seek to, constitute advice of any nature. You may not rely upon the contents of this document under any circumstance and should seek your own independent legal, investment, tax and other advice. The information and any opinion contained in this document does not constitute a recommendation or offer with respect to any derivative contract, financial instrument, security or service. No LCH Group Company makes any representation, warranty, condition or guarantee (whether express or implied) that the contents of this document are accurate, complete or up-to-date, and makes no commitment to offer any particular product or service. No LCH Group Company shall have any liability for any losses, claims, demands, actions, proceedings, damages, costs or expenses arising out of, or in any way connected with, the information contained in this document, except that each LCH Group Company accepts liability that cannot be excluded by applicable law.

Copyright © LCH Limited 2023. All rights reserved. Copyright © LCH S.A. 2023. All rights reserved. LCH SwapClear, LCH CDSClear, LCH ForexClear, LCH RepoClear, LCH EquityClear, LCH SwapAgent and €GCPlus are registered trademarks of LCH.