

Clearstream Spotlight

Bridge improvements to bring greater flexibility and increased efficiency

Enhancements to the Bridge are currently being developed that will result in new standards to cross-border settlement in commercial bank money: increased interoperability and harmonisation at European post-trade infrastructure level, optimised liquidity consumption and more efficient collateral management. This joint initiative between Clearstream and Euroclear has been welcomed by both market participants and regulators alike, and addresses agreements laid out in last year's Memorandum of Understanding between the ICSDs and Eurex Clearing to facilitate triparty settlement interoperability.

Clearstream has long been avidly dedicated to this project, which will bring maximum benefits and efficiency to our customers. This will be achieved by:

- Maximising the settlement window between both ICSDs in order to support increased same-day and intra-day interoperability.
- Improving significantly matching and settlement turnaround times
- Moving settlement windows and deadlines as close as possible to domestic cut-off times
- Opening up the settlement window until end-of-day for free-of-payment transactions
- Enhancing matching quality and reporting
- Supporting settlement interoperability for triparty repo products with Eurex GC Pooling.

Phase 1 of the project is planned for launch on 28 September 2015. With this first phase, the ICSDs will move the Bridge into a currency-driven model. Simultaneously, additional

matching and settlement files will be introduced. As a result of these changes, the settlement turnaround time after 12:00 CET will be reduced from between 60-120 minutes to 35-90 minutes.

This phase will also deliver:

- Significant improvement in input deadlines, in particular for core currencies (EUR, GBP, USD)
- Move to mandatory settlement only (until end-of-day) for free-of-payment transactions
- Extension of interoperability between the ICSDs at the end of the day until 18:30 CET.

We are proactively committed to current discussions on Phase 2, to deliver faster settlement turnaround throughout the whole day with turnaround times decreasing to 10-40 minutes, faster matching results, further improved input deadlines and an increased end-of-day interoperability extension.



New Bridge input deadlines from 28 September 2015

Mandatory Against Payment –
Early European and Asian currencies:
13:20 (improved by 20 mins)

Mandatory Against Payment –
EUR, GBP, USD, CAD, MXN, ARS, PEN:
15:00 (improved by 2 hours)

Optional Against Payment –
All currencies:
17:25 (improved by 2h 25m)

Free of Payment:
17:25 (improved by 4h 25m)

More information

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