

香港場外結算有限公司  
(香港交易及結算所有限公司附屬公司)

OTC CLEARING HONG KONG LIMITED  
(A subsidiary of Hong Kong Exchanges and Clearing Limited)

## 通告 CIRCULAR

Subject: **Data for Calculating Capital Requirement in respect of Swap Connect**  
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Reference is made to the circular (Ref.: [OTCRM/021/2023](#)) dated 8 June 2023. Following the amendments to the Banking (Capital) Rules, which relate to the calculation of hypothetical capital requirement ( $K_{ccp}$ ) in respect of Swap Connect in effect from 1 April 2024<sup>1</sup>, OTC Clearing Hong Kong Limited (OTC Clear) will calculate the  $K_{ccp}$  for trade exposure to Shanghai Clearing House by applying a 2% risk-weight (instead of a 20% risk-weight) to the trade exposure.

Same as current arrangement, OTC Clear will publish the data as of the end of each calendar quarter month on the HKEX website within 10 business days after the end of the relevant calendar quarter month. Clearing Members may download the data required from HKEX website<sup>2</sup>. The publication, with the aforesaid change in calculation, will be on or before 15 July 2024 for the data as of 30 June 2024.

Irene Lee  
Senior Vice President  
Clearing & Depository

<sup>1</sup> For reference, please refer to sections 27 and 28 of the Banking (Capital) (Amendment) Rules 2023 (<https://www.gld.gov.hk/egazette/pdf/20232752/es220232752167.pdf>) and the updated Q&A on Swap Connect issued to authorized institutions on 20 February 2024 (<https://www.hkma.gov.hk/media/eng/doc/key-information/guidelines-and-circular/2024/20240220e1a1.pdf>).

<sup>2</sup> [https://www.hkex.com.hk/Services/Clearing/OTC-Clear/Risk-Management/Reports-and-Data-Download?sc\\_lang=en](https://www.hkex.com.hk/Services/Clearing/OTC-Clear/Risk-Management/Reports-and-Data-Download?sc_lang=en).