

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: **Routine recalculation of Notional Exchange Risk Multiplier**

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Please be advised that pursuant to Chapter 4 of the OTC Clearing Hong Kong Limited Clearing Procedures, OTC Clear has completed its routine Notional Exchange Risk Multiplier recalculation on 4 October 2023. The levels of Notional Exchange Risk Multiplier are determined based on the results of a poll recently conducted with Clearing Members in September 2023.

The revised levels of Notional Exchange Risk Multiplier will be effective **from 6 October 2023**. The Notional Exchange Risk Multiplier will be applied to determine the additional margin requirement to be imposed on a Clearing Member based on such Clearing Member's net notional exchange amounts payable to OTC Clear from all cleared Standard Cross-currency Rates Derivatives Contracts and Deliverable FX Derivatives Contracts per contractual currency pair.

The Notional Exchange Risk Multiplier of different net notional exchange amounts for corresponding currency pair is summarized below.

Notional Exchange Risk Multipliers

Net notional exchange amounts for Renminbi (offshore) and US Dollar currency pair:

CNY (offshore) Net Notional (payable to OTC Clear)	Notional Exchange Risk Multiplier (in pips)	USD Net Notional (payable to OTC Clear)	Notional Exchange Risk Multiplier (in pips)
≥0 & ≤1,098 mn	0	≥0 & ≤150 mn	0
>1,098 & ≤1,831 mn	9	>150 & ≤250 mn	9
>1,831 & ≤3,662 mn	37	>250 & ≤500 mn	37
>3,662 & ≤5,492 mn	58	>500 & ≤750 mn	58
>5,492 & ≤7,323 mn	85	>750 & ≤1,000 mn	85
>7,323 & ≤10,985 mn	107	>1,000 & ≤1,500 mn	107
>10,985 & ≤14,646 mn	134	>1,500 & ≤2,000 mn	134
>14,646 mn	182	>2,000 mn	182

*mn refers to millions

Net notional exchange amounts for HK Dollar and US Dollar currency pair:

HKD Net Notional (payable to OTC Clear)	Notional Exchange Risk Multiplier (in pips)	USD Net Notional (payable to OTC Clear)	Notional Exchange Risk Multiplier (in pips)
≥0 & ≤1,175 mn	0	≥0 & ≤150 mn	0
>1,175 & ≤1,958 mn	2	>150 & ≤250 mn	2
>1,958 & ≤3,916 mn	9	>250 & ≤500 mn	9
>3,916 & ≤5,874 mn	20	>500 & ≤750 mn	20
>5,874 & ≤7,832 mn	32	>750 & ≤1,000 mn	32
>7,832 & ≤11,747 mn	46	>1,000 & ≤1,500 mn	46
>11,747 & ≤15,663 mn	69	>1,500 & ≤2,000 mn	69
>15,663 mn	85	>2,000 mn	85

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