

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 3 January 2024. The levels of Notional Exchange Risk Multiplier are determined based on the results of a poll recently conducted with Clearing Members in December 2023.

The revised levels of Notional Exchange Risk Multiplier will be effective **from 5 January 2024**. 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 & ≤357 mn	0	≥0 & ≤50 mn	0
>357 & ≤571 mn	6	>50 & ≤80 mn	6
>571 & ≤1,784 mn	34	>80 & ≤250 mn	34
>1,784 & ≤3,569 mn	88	>250 & ≤500 mn	88
>3,569 & ≤5,353 mn	137	>500 & ≤750 mn	137
>5,353 & ≤7,137 mn	195	>750 & ≤1,000 mn	195
>7,137 & ≤10,706 mn	247	>1,000 & ≤1,500 mn	247
>10,706 & ≤14,275 mn	308	>1,500 & ≤2,000 mn	308
>14,275 mn	368	>2,000 mn	368

\*mn refers to millions

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

<b>HKD Net Notional (payable to OTC Clear)</b>	<b>Notional Exchange Risk Multiplier (in pips)</b>	<b>USD Net Notional (payable to OTC Clear)</b>	<b>Notional Exchange Risk Multiplier (in pips)</b>
≥0 & ≤938 mn	0	≥0 & ≤120 mn	0
>938 & ≤1,954 mn	6	>120 & ≤250 mn	6
>1,954 & ≤3,907 mn	18	>250 & ≤500 mn	18
>3,907 & ≤5,861 mn	35	>500 & ≤750 mn	35
>5,861 & ≤7,814 mn	56	>750 & ≤1,000 mn	56
>7,814 & ≤11,721 mn	75	>1,000 & ≤1,500 mn	75
>11,721 & ≤15,628 mn	109	>1,500 & ≤2,000 mn	109
>15,628 mn	143	>2,000 mn	143

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Clearing & Depository