



## **SGX is world's first exchange to clear Asian FX forwards**

### **Singapore Exchange will start clearing Asian Foreign Exchange Forwards (non-deliverable) by September 2011.**

The clearing of Asian Foreign Exchange (FX) Forwards will include the non-deliverable currencies traded in the region, namely Chinese Yuan, Indonesian Rupiah, Indian Rupee, Korean Won, Malaysian Ringgit, Philippine Peso and Taiwanese Dollar.

A world's first, this initiative is aligned with recent global regulations on mandatory clearing for non-deliverable FX forwards and FX options via a Central Counter Party. The clearing of FX Forwards is the next OTC clearing offering following the 15 November 2010 start of clearing of Interest Rate Swaps denominated in Singapore dollars. SGX has cleared nearly US\$80 billion notional of Interest Rate Swaps since the launch.

This clearing service will enhance Singapore's global standing as a market for trading of interest rate derivatives and foreign exchange. Singapore was ranked the second largest interest rate derivatives and foreign exchange centre in Asia and fourth largest foreign exchange centre globally in a survey by Bank for International Settlements.

Said Mr Magnus Bocker, SGX CEO, "Demand for OTC traded financial derivatives clearing will grow rapidly and we are pleased to be able to extend the service to cover Foreign Exchange Forwards for Asian currencies. Asia is the world's fastest-growing region and this service will benefit our members as they grow their businesses here."

The eleven SGX Clearing Members eligible to clear FX Forwards are Barclays Bank Plc, Citibank N.A., Credit Suisse AG, DBS Bank Limited, Deutsche Bank AG, Hong Kong and Shanghai Banking Corporation Ltd, Oversea-Chinese Banking Corporation Ltd, Standard Chartered Bank, Royal Bank of Scotland Plc, UBS AG, and United Overseas Bank Ltd. SGX expects the membership to grow in the months to come with membership interest from all banks active in these products.