



SGX Clears First Asian FX Forwards

Singapore Exchange (SGX) today successfully launched its clearing service for OTC traded Asian Foreign Exchange (FX) Forwards (non-deliverable) with Deutsche Bank, DBS Bank and OCBC Bank clearing their first Asian FX Forwards with the Exchange.

A world's first, this initiative is aligned with global developments toward central counterparty clearing (CCP) of OTC derivatives to promote systemic stability in financial markets. The clearing of Asian FX Forwards covers non-deliverable Asian currencies, namely Chinese Yuan, Indian Rupee, Korean Won, Indonesian Rupiah, Malaysian Ringgit, Philippine Peso and Taiwanese Dollar.

Mr. Muthukrishnan Ramaswami, President, SGX, said: "SGX is committed to offer clearing solutions to meet the growing needs of OTC market participants in Asia. Launched in close collaboration with our members, the Asian FX Forwards clearing service will accord our members capital and operational efficiencies. This service is well aligned with global regulatory reform and will encourage the adoption of CCP clearing of OTC traded products in Asia."

Mr. Clifford Cheah, Head of Global Finance and Foreign Exchange, Asia, Deutsche Bank, said: "Helping our Asia focused clients prepare for significant regulatory changes in FX markets is a key priority for Deutsche Bank. As the world's largest foreign exchange bank, we are committed to new derivatives clearing initiatives including SGX's efforts that will make a positive contribution to the transparency and growth of Singapore's financial markets."

The launch of FX Forwards by SGX follows the November 2010 clearing service for Interest Rate Swaps denominated in Singapore and US dollars.

The 11 SGX Clearing Members eligible to clear FX Forwards are Barclays Bank Plc, Citibank N.A., Credit Suisse AG, DBS Bank Limited, Deutsche Bank AG, The Hong Kong and Shanghai Banking Corporation Ltd, OCBC Bank, Standard Chartered Bank, The 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.

-End-