



# Member Notification

Date: 18 September, 2020

To: LCH SA - EquityClear & CommodityClear SA Members

# **Introduction of Calendar Add-on Margin**

Dear Member,

LCH SA will introduce a new margin, namely "Calendar Add-on Margin", on both Listed Derivatives (Financials and Commodities) and Cash Equities markets.

This margin aims at covering non-Euro currency product cash flows in Euros during this currency's bank holidays.

### Calendar Add-on Margin snapshot:

- Currency of the margin: Euro
- Date of the margin call: each Non-Euro currency bank holidays
- Timing of the call: during the Initial Margin morning call

#### **Reporting impact:**

LCH SA will update the CNMC treasury report accordingly in 2 steps:

- From Friday 25 September, 2020, LCH will make a technical implementation
  - $\rightarrow$  A newly created "Additional Margins (CAL)" line will be displayed on the CNMC treasury report AC0102E txt.
  - →Therefore, the "Additional Margins (CAL)" line will be set up at 0

### > As of Friday 27 November, 2020

- → The created "Additional Margins (CAL)" will display:
  - For each Non-Euro bank holiday, the Calendar Add-on Margin amount calculated in EURO, and called during the Initial Margin morning call
  - o For any other day: a zero amount

Please find hereafter the AC0102 changes:

## > AC0102 XML format: additional NATOP displayed

```
    CALMAT for MATIF market :

                                              <MrgnTp>CALMAT</MrgnTp>
                                              <MrgnAmt Ccy="EUR">0</MrgnAmt>
                                              <ShrtLngInd>LONG</ShrtLngInd>
                                          </Mrgn>

    CALMON for MONEP market

                                         - <Mrgn>
                                              <MrgnTp>CALMON</MrgnTp>
                                              <MrgnAmt Ccy="EUR">0</MrgnAmt>
                                              <ShrtLngInd>LONG</ShrtLngInd>
                                          </Mrgn>

    CALCAS for CASH EQUITIES markets

                                         - <Mran>
                                              <MrgnTp>CALCAS</MrgnTp>
                                              <MrgnAmt Ccy="EUR">0</MrgnAmt>
                                              <ShrtLngInd>LONG</ShrtLngInd>
```

Please make sure you do factor those changes accordingly in your zivil reports integration.

### > AC0102 TXT format: additional line displayed:

o MARGES ADDITIONNELLES (CAL) / ADDITIONAL MARGINS (CAL)

```
(N) ---> FLUK GARANTIE / COLLATERAL FLOW
COUVERTURE EXIGEE RISQUE LIQUIDATION /
LIQUIDATION RISK
COUVERTURES ADDITIONMELLES (DEFAULT FUND) /
ADDITIONAL MARGINS (DEFAULT FUND)
COUVERTURE EXIGEE RISQUE MEGOCIATION /
NEGOCIATION RISK
COUVERTURE PRET/EMPRUMT BRUXELLES /
LaB BRUSSELS RISK
MAJORATION DE COUVERTURE /
INCREASE COVERAGE
MARGES ADDITIONNELLES (NNR) /
ADDITIONAL MARGINS (NNR)
MARGES ADDITIONNELLES (LCRM) /
ADDITIONAL MARGINS (LCRM)
MARGES ADDITIONNELLES (DMR)
ADDITIONAL MARGINS (DNR)
MARGES ADDITIONNELLES (Autres) /
ADDITIONAL MARGINS (Others)
MARGES ADDITIONNELLES - CREDIT RISK /
ADDITIONAL MARGINS - CREDIT RISK
MARGES ADDITIONNELLES (LEM)
ADDITIONAL MARGINS (LEM)
MARGES ADDITIONNELLES (EAM)
ADDITIONAL MARGINS (EAM)
ADDITIONAL MARGING (CAL
TOTAL COUVERTURE EXIGEE JOUR /
TOTAL MARGIN REQUIREMENTS
```

The Clearing Member Firms can test the new format of their CNMC report on the EUA platform (External User Acceptance).

SA EquityClear Business Development & Relationship Management team remains at your disposal for any additional questions,

Best regards,

#### **Dedicated contacts:**

Business Development & Relationship Manager (Cash Equities & Listed Derivatives)

Email: SAEquityClear@lch.com |+33 (0)1 70 37 10 49 |

LCH.SA