UMR Compass Calculating AANA | Acadia  
  
  
  
  
  
  
  
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Go to US requirementsGo to EU requirementsGo to APAC requirementsWHAT IS REQUIRED FROM FIRMS IN THEUS: CFTC/USPRCFTC/USPR - How do you calculate?AANA is calculated on an average daily notional amount of uncleared swaps (non-cleared security based swaps, FX forwards including physically settled FX, FX swaps)âThe calculation is inclusive of all affiliates within the counterparty groupâCalculation is at the principal level, for example, pension funds must look across all their portfolios across asset managersâSumming up the AANA number calculated for each business day and dividing the number by the number of business days in the Observation PeriodâPost Phase 6 for CFTC will be a month end average calculation for AANA with a calculation period of March, April and May of 2023 for compliance date of September 1 2023. For firms under USPR there will be a daily average calculation for the Â periods of June, July and August of 2023 for compliance date January 1 2024.Products to include in your calculationâOn any date of calculation, all outstanding over-the-counter derivatives of the trading entityâs Consolidated Group, including:Uncleared swapsUncleared security-based swapsDeliverable FX swapsDeliverable FX forwardsFX swaps and deliverable FX forward even though they are exempt from calculating regulatory IMâWhat not to includeDo not include cleared derivativesâOther items of note:This is Gross Notional calculation. Offsetting/netted positions must be counted.Security based swaps that are either exempt pursuant to the SEC clearing exemption for affiliates of end users or satisfy the criteria for the SECs end-user exception for clearing would not be included in the calculationFirms will need to calculate their AANA annually as it is possible to fall in and out of scope for the rules if you fall below the USD 8 BILLION thresholdâ  
  
  
What does Consolidated Group mean?  
All entities that are (or that would be if US accounting rules applied) included in the same consolidated financial statements as the relevant trading entity.  
The in-scope OTC Derivatives of all such entities must be included in the relevant trading entities AANA calculation.  
  
  
  
Need help with your AANA calculation?Discover more about Acadia's AANA Calculation service here and contact us to find out how we can assist you with this efficient and cost effective offering.Book a meetingWHAT IS REQUIRED FROM FIRMS IN THEEU/EMIREU/EMIR - How do you calculate?AANA is calculated for each counterparty group as of the last business day of the previous March, April, and May for the compliance date of the following January.âIntra Group transactions, regardless of exemptions on the EMIR rules, are counted once.âSumming up the notional amount of all In-Scope OTC Derivatives on the last business day of each month in the Observation Period and dividing by the number of months in the Observation Period.âFor March, April and May of 2023 AANA calculation compliance date will be January 1, 2024.âProducts to include in your calculationPhysically settled FX Swaps and ForwardsCurrency SwapsCovered Bond SwapsDerivatives with exempted counterpartiesHedging tradesââWhat not to includeOTC derivatives that are considered centrally clearedExchange-traded derivatives on a non-EU equivalent marketExchange-traded derivatives trades on an EU regulated marketOther items of note:This is a Gross Notional calculation. Offsetting/netted positions must be counted.Deliverable FX forwards, FX swaps, currency swaps, single-stock equity options or index options and derivatives with counterparties in non-netting jurisdictions that are (or may be) exempt from the regulatory variation margin and/or initial margin requirements must be included in your AANA calculation.Intra-group transactions are included but only counted once.ââNeed help with your AANA calculation?Discover more about Acadia's AANA Calculation service here and contact us to find out how we can assist you with this efficient and cost effective offering.Book a meetingWHAT IS REQUIRED FROM FIRMS IN THEAPAC RegionAPAC â How do you calculate?The calculation period below is for JFSA. The remainder of the guidelines closely follow those in the EU jurisdiction.âJFSA Margin Rule Compliance Schedule â Upcoming Phases  
  
  
Phase  
AANA Threshold  
Observation Period  
IM Compliance Date  
  
  
After Phase 6  
> JPY 1.1 Trillion  
March, April + May of 2023  
September 1, 2023  
  
  
  
  
  
What does Consolidated Group mean?  
An entityâs group, for purposes of the AANA calculation, includes its ultimate parent and each of that ultimate parentâs subsidiaries, including where the ultimate parent company and any affiliates are located outside of the EU.  
The in-scope OTC Derivatives of all such entities must be included in the relevant trading entityâs AANA calculation. It is a month end average calculation that excludes intra-group transactions.  
  
  
Need help with your AANA calculation?Discover more about Acadia's AANA Calculation service here and contact us to find out how we can assist you with this efficient and cost effective offering.Book a meetingStay up to date with Acadia's bi-monthly Market Insights  
  
  
  
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