

CME Group launches interest rate swap clearing in London

Chicago, March 18 (Xinhua) -- CME Clearing Europe, CME Group's European clearing house, announced Monday on the Group's website that it has won approval of the Financial Services Authority (FSA) of Britain to launch real-time clearing of interest rate swaps (IRS) in London, just a week after U.S. regulators began phasing in mandates for rate swap clearing. This is the first step CME Clearing Europe has made in clearing Over the Counter (OTC) financial derivatives. Before then, it has been clearing energy swaps in London for about two years. The initial release of Over the Counter IRS in Europe will cover seven currencies: GBP, EUR, CAD, AUD, CHF, JPY and USD, with maturities of up to 50 years for USD, EUR, GBP and 30 years for all others. CME Group has already launched interest rate swap clearing service in the U.S.. To date, CME Clearing in the U.S. has cleared more than 1.75 trillion dollars in OTC interest rate swap volume, and open interest has grown to more than one trillion dollars. It is learned that CME Group plans to launch over-the-counter foreign exchange and credit default swaps in London later this year.