

New link to Deutsche Bank extends collateral reach

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- Cooperation will further deepen the collateral / liquidity pool for mutual customers by automatically connecting them to Clearstream's Global Liquidity Hub
- Deutsche Bank benefits from Clearstream's integrated collateral management offering for its customers
- After BNP Paribas, Citi and Standard Chartered, Deutsche Bank is the next partner to use Clearstream's collateral management solution for agent banks

Clearstream and Deutsche Bank have signed an agreement to develop a customised triparty collateral management solution that Deutsche Bank can offer to its customers. The cooperation will allow Clearstream to further increase its collateral under management (EUR 626.9 billion in June 2014) with additional Deutsche Bank liquidity; Deutsche Bank's customers will be able to leverage the integrated suite of triparty collateral management services that Clearstream offers via its Global Liquidity Hub.

This single and optimised collateral pool will enable Deutsche Bank customers to consolidate their collateral holdings to cover their global exposures most efficiently. While Deutsche Bank customers retain their asset portfolios within Deutsche Bank's extensive custody network, Clearstream's collateral management engine carries out complex collateral management functions such as automated and real-time allocation, optimisation and substitution. A unique feature of Clearstream's collateral service for agent banks is that it mobilises collateral in real time and only up to the amount that is required.

Stefan Lepp, Member of the Executive Board and Head of Global Securities Financing at Clearstream, said: "On the one side, our collateral strategy is about linking to ever more exposure locations such as clearing houses and central banks, and on the other side our strategy is to provide access to a growing number of collateral locations such as central securities depositories, stock exchanges and agent banks. We are pleased to help Deutsche Bank with our collateral management technology while in return we can offer our customers access to the large liquidity pool of Deutsche Bank."

Improving access to collateral is seen as a crucial issue for the financial industry at a time when the regulatory agenda drives demand for optimisation as well as adequate levels of capital and liquidity. Clearstream has already created access to several global liquidity pools by working with international strategic partners like Cetip (Brazil), ASX (Australia), Strate (South Africa), Iberclear (Spain) and BNP Paribas. Collateral management partnerships with Citi and Standard Chartered will go live this year and further developments are underway with CDS (Canada), SGX (Singapore) and VPS (Norway).

About Clearstream

As an international central securities depository (ICSD) headquartered in Luxembourg, Clearstream provides the post-trade infrastructure for the Eurobond market and services for securities from 53 domestic markets worldwide. Clearstream's customers comprise approximately 2,500 financial institutions in more than 110 countries. Its services include the issuance, settlement and custody of securities, as well as investment fund services and global securities financing. With more than 12.3 trillion Euros in assets under custody, Clearstream is one of the world's largest settlement and custody firms for domestic and international securities.

As a central securities depository (CSD) based in Frankfurt, Clearstream also



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provides the post-trade infrastructure for the German securities industry, offering access to a growing number of markets in Europe.