

Press Release

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Hong Kong Exchanges and Clearing Limited and Calypso Technology awarded as Best OTC Clearing and Risk Management System Implementation in The Asian Banker Financial Markets Technology Implementation of the Year Awards 2017

- **Calypso's implementation of clearing service for cross-currency swaps leads in the market and effectively manages settlement risk**
- **Calypso and Hong Kong Exchanges and Clearing achieved a seamless clearing and settlement integration**
- **The new clearing service drives immense business growth**

Singapore June 9th 2017 —**Hong Kong Exchanges and Clearing Limited (HKEX) and Calypso Technology** received the award for **Best OTC Clearing and Risk Management System Implementation** in The Asian Banker Financial Markets Technology Implementation of the Year Awards 2017. The awards ceremony was held in conjunction with the prestigious Asian Banker Future of Finance Summit 2017, the foremost annual meeting for decision makers in the financial services industry in the Asia Pacific region, held at the MAX Atria@Singapore EXPO, Singapore.

Calypso's implementation of clearing service for cross-currency swaps leads in the market and effectively manages settlement risk

HKEX's clearing house, OTC Clear, becomes the first global clearing house to offer a clearing service for cross-currency swaps, in the offshore USD/offshore renminbi currency pair. The exchanges of principal values for cross-currency swap transactions cleared by OTC Clear will be settled via the Payment versus Payment service of the Real Time Gross Settlement system operated by the Hong Kong Monetary Authority. This effectively eliminates the settlement risk which arises from the asymmetric timing of payments and receipts of different currencies in a typical bilateral settlement process.

Calypso and HKEX achieved a seamless clearing and settlement integration

Together with Calypso, OTC Clear has developed the OTC Clearing and Settlement System (OCASS) to support its clearing services. The integrated OCASS which processes trade registrations and novations, valuations, trade event management and collateral and margin calculations ensures a seamless clearing and settlement process.

The new clearing service drives immense business growth

The introduction of cross currency swaps clearing service saw a 60% month-on-month average growth rate. There are more than 1.5 billion cumulative outstanding contracts of USD-

CNH in January as compared to 150 million contracts in August 2016, illustrating the remarkable growth over a short span of six months. This implementation successfully drives new business area and showcases Calypso's capabilities at implementing leading solutions.

About The Asian Banker

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