

29/07/2022

Interest on cash collateral

To the attention of:	All Clearing Members
Priority:	High
Topic:	Euro cash collateral

Euronext Clearing will switch to ECB deposit facility rate benchmark for the calculation of interest on Margins and Default Fund cash deposits in Euro.

Currently, interests on Euro deposited to Initial Margins are calculated on the daily €STR rate minus 21,5 basis points, while interests on Euro deposited to the Default Fund are calculated on the daily €STR rate minus 16,5 basis points.

Since the difference between ECB deposit facility rate and €STR rate is about 8,5 basis points, Euronext Clearing has decided to modify the spread to maintain the impact on the final rate applied to the client negligible.

The new interest rates on cash deposits in Euro will be calculated as follows:

- Initial Margins: ECB deposit facility rate minus 30 basis points
- Default Fund: ECB deposit facility rate minus 25 basis points

The new rate benchmark and spreads will be applied starting 1 September 2022.

The interests of Q3 2022 will be settled, as usual, in October 2022.

The new version of the fee schedule is available on Euronext Clearing [web site](#).

For further information please contact:

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