

Clearstream

Global Liquidity Hub – GC Pooling Select

Product information

Secured cash lending for buyside customers

Key benefits

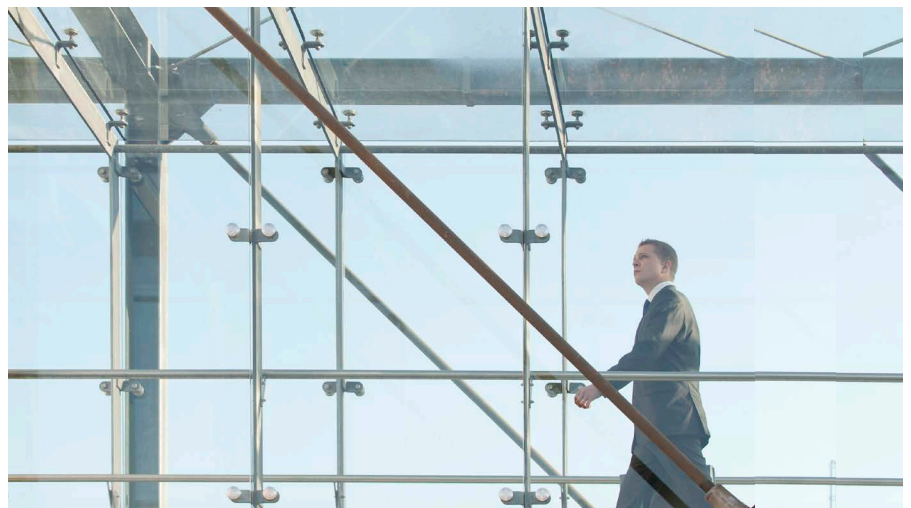
for the buyside

- Secured electronic trading in EUR
- Daily cash management tool
- Central counterparty settlement via Eurex Clearing
- Wide range of ECB-eligible assets as collateral
- One-stop-shop reporting for entire trading cycle
- Transfer of counterparty risk to Eurex Clearing
- Disclosed house bank

for banks

- A new source of liquidity
- Expansion of product portfolio for corporate clients
- Possibility of reinvesting borrowed funds in the GC Pooling interbank market
- Balance sheet relief thanks to netted GC Pooling Select and GC Pooling repo transactions
- Transfer of counterparty risk to Eurex Clearing
- Wide range of ECB-eligible assets as collateral
- Disclosed clients

GC Pooling Select provides buyside customers with a highly secure environment for cash investments via a range of standardised collateral baskets. Customers benefit from consolidated triparty services by Eurex Repo, Eurex Clearing and Clearstream which cover the full cycle from trading and clearing to collateral management from a single point of access.



Combined Deutsche Börse Group services

Clearstream and Eurex are natural partners as they are both members of the Deutsche Börse Group. GC Pooling Select is the buyside stream of the very successful joint interbank repo service GC Pooling.

GC Pooling Select offers the buyside a user-friendly electronic trading facility to lend cash to selected banks in exchange for European Central Bank (ECB) eligible securities. The highly efficient straight-through-processes helps the buyside to manage daily cash on a secured basis against predetermined collateral baskets.

The service brings customers the best of the Deutsche Börse Group: a single Eurex Repo web-portal provides access to Eurex Repo trading services, clearing services of Eurex Clearing and Clearstream's proven settlement, custody and collateral management. Comprehensive reporting from all three Deutsche Börse Group entities offers a transparent overview of the settlement and collateral management.

In contrast to the anonymous interbank market offered by GC Pooling, GC Pooling Select leaves the bilateral trading relationship between banks and their buyside clients unchanged as they first trade on an OTC basis and then the trade is novated through the CCP.

Streamlined processing

Corporates do not need direct access to interact with Eurex Clearing or with Clearstream's collateral management engine – they merely need a Eurex Clearing repo license and cash and securities settlement accounts at Clearstream. Eurex Repo's trading system and the consolidated reporting for all entities by the Deutsche Börse Group are then easily accessed online.

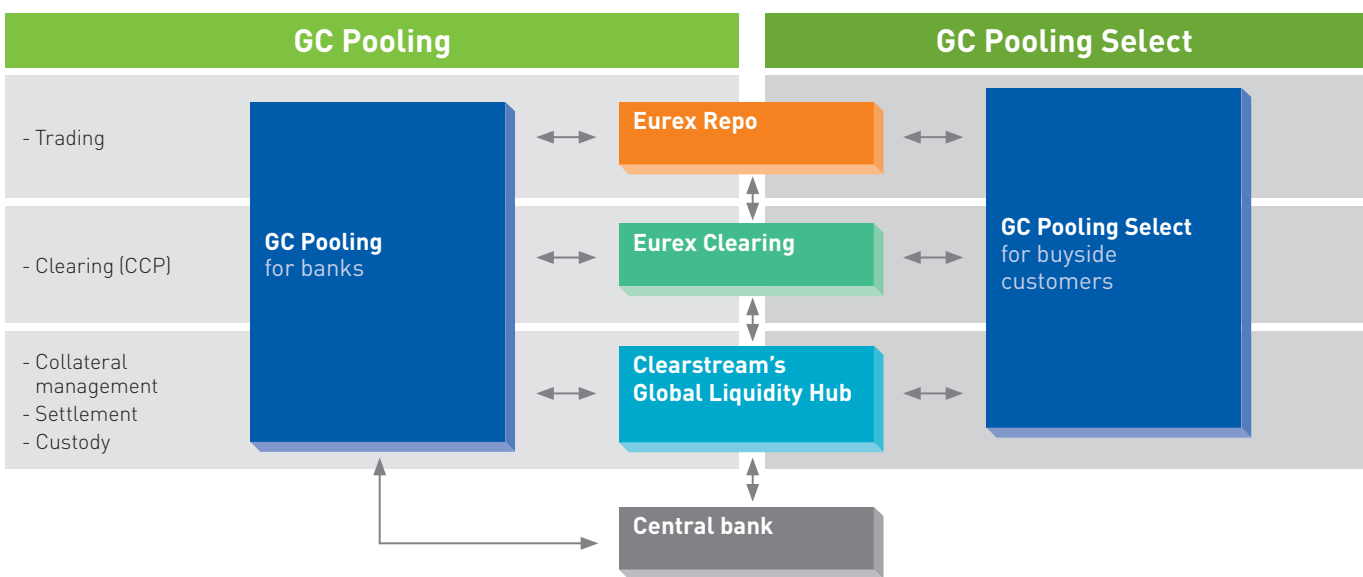
Once the transaction has been matched, all processing, including

the reversal of transactions, is done automatically; both the cash and the securities are settled by Clearstream. In addition, Clearstream's Global Liquidity Hub automatically allocates the necessary collateral to secure the trade.

The service gives buy-side customers the advantages of trading through a clearing house without having to go through the process of becoming a full clearing member –

the counterparty risk is transferred to Eurex Clearing which guarantees the trade. Throughout the transaction, the buy-side can easily keep track of the processing steps through fully transparent and comprehensive reporting.

GC Pooling Select is available for buy-side customers such as corporates, asset managers and pension funds in selected European countries.



Key features

- Trading hours: 7:30 - 18:00 CET – cut-off time for same-day: 14:00 CET
- Standard and flexible trading terms
- Request for quote or pre-arranged trade entry
- CCP novation after confirmed cash provisioning
- Delivery versus payment in central bank money
- Proven straight-through processing
- Automatic collateral allocation by Clearstream for ICSD and German CSD accounts
- Consolidated reporting via common Eurex Repo webportal.

Contact information

For further information on our Global Liquidity Hub services, please contact our dedicated GSF team.

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