

Update: USD and EUR CSA (Credit Support Annex) Changes

September 2021

NT: Sep21-0044

From 15th September 2021 the Tradition Group's derivatives pricing will change to reflect the growing consensus that USD and EUR CSAs have been modified to use SOFR and ESTR funding respectively.

This change will not affect any cleared instruments where the current CCP funding and revaluation practices are already reflected in our pricing. For example, this means no change to any of our FF OIS and SOFR OIS data where the SOFR discounting is already built-in.

The change will potentially affect all instruments where USD (FF) or EUR (EONIA) CSA funding has previously been assumed. This includes cross-currency swaps and basis swaps, un-cleared IRS products and interest rate options in those currencies where USD or EUR funding is commonly used.

These changes will not impact our broking teams' ability to price on request derivatives with other CSAs or to facilitate the agreement of post-trade CSA adjustments.

Americas Contact:

+1 212 978 1950
americasales@traditiondata.com

Asia Contact:

+852 3413 3674
asiasales@traditiondata.com

Europe Contact:

+44 (0)20 7198 5959
emeasales@traditiondata.com