



NEWS RELEASE

Citi Clears CDS Index Option Trades Through ICE Clear Credit

2/17/2021

Options activity builds on record year at ICE Clear Credit in 2020

ATLANTA & NEW YORK--(BUSINESS WIRE)-- Intercontinental Exchange, Inc. (NYSE:ICE), a leading operator of global exchanges and clearing houses and provider of mortgage technology, data and listings services, today announced that Citi has traded and cleared the first client-executed Credit Default Swap (CDS) Index Option trades in the U.S. through ICE Clear Credit.

"We're excited to work with ICE Clear Credit as they introduce and build an innovative solution for clearing of CDS Index Options," said Mariam Rafi, Americas Head of OTC Clearing and FXPB at Citi. "With portfolio margining opportunities across Single Name, Index and Option instruments, this is an important step that will help drive capital efficiencies and improve risk management for all market participants."

ICE Clear Credit launched clearing services for CDS Index Options in late 2020. It currently offers clearing of Index Options on the CDX North American Investment Grade and High Yield Index underlyings. Options on iTraxx Index instruments are expected to be added in 2021.

"ICE Clear Credit's new clearing services, designed in close collaboration with the trading community, deliver market evolution and effective execution and risk management tools," said Samuel Page Head of North American Macro Credit and IG CDS Trading at Citi. "We expect this will help lead to increased adoption of CDS Index Options by end-users and overall elevated trading activity and market depth."

"During the last year, we saw tremendous momentum across our CDS complex as customers accessed our services



to execute macro strategies and manage risk during times of unprecedented market volatility,” said Stan Ivanov, President of ICE Clear Credit. “Our CDS Index Options clearing services, based on a robust and capital efficient portfolio risk management approach, will help bring additional standardization, transparency and depth to the CDS market.”

ICE Clear Credit’s Index Options solution provides a number of innovations including portfolio margining and a common exercise-and-assignment platform where all market participants, dealers and buy-side firms, can perform time-critical decision making in a centralized, risk-managed and technologically advanced fashion.

ICE Clear Credit recorded its best year in 2020, in terms of both dealer and client volumes. It cleared over \$30 trillion in combined client/dealer notional amount, with 78% originating from client-related transactions. ICE Clear Credit also set a new record in March for both the highest ever monthly combined client/dealer Index volume at \$6.8 trillion notional amount, and the highest ever monthly client Index volume at \$2.9 trillion notional amount, in both cases more than doubling the previous monthly volume.

Launched in 2009, ICE Clear Credit and ICE Clear Europe CDS clearing solutions offer clearing for more than 500 Single Name and Index CDS instruments based on corporate and sovereign debt and have reduced counterparty risk exposure by clearing over \$283 trillion in two-sided notional amount, with combined open interest of approximately \$2.0 trillion.

For more information about ICE Clear Credit, please visit: <https://www.theice.com/credit-derivatives/options>.

About Intercontinental Exchange

Intercontinental Exchange (NYSE: ICE) is a Fortune 500 company and provider of marketplace infrastructure, data services and technology solutions to a broad range of customers including financial institutions, corporations and government entities. We operate regulated **marketplaces**, including the **New York Stock Exchange**, for the listing, trading and **clearing** of a broad array of derivatives contracts and financial securities across major asset classes. Our comprehensive **data services** offering supports the trading, investment, risk management and connectivity needs of customers around the world and across asset classes. As a leading technology provider for the U.S. residential mortgage industry, **ICE Mortgage Technology** provides the technology and infrastructure to transform and digitize U.S. residential mortgages, from application and loan origination through to final settlement.

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exchange website under the heading "Key Information Documents (KIDS)."

Safe Harbor Statement under the Private Securities Litigation Reform Act of 1995 -- Statements in this press release regarding ICE's business that are not historical facts are "forward-looking statements" that involve risks and uncertainties. For a discussion of additional risks and uncertainties, which could cause actual results to differ from those contained in the forward-looking statements, see ICE's Securities and Exchange Commission (SEC) filings, including, but not limited to, the risk factors in ICE's Annual Report on Form 10-K for the year ended December 31, 2020, as filed with the SEC on February 4, 2021.

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Source: Intercontinental Exchange