

Trade FX Futures Alongside Your OTC FX

OTC FX or FX Futures – It Is Your Choice

Whether you are already using exchange-traded FX or you are just starting to consider the benefits it can bring, you can now use 360T to access all Eurex FX Futures directly from your 360T trading environment.

Why FX Futures?

While there are many acknowledged benefits from using centrally cleared products— including multilateral netting, operational efficiency, capital savings, and regulatory margin benefits compared to bilaterally held positions— recent changes to the regulatory landscape have created several areas each increasing the use of FX Futures.

FX Futures don't count towards your AANA thresholds

As centrally cleared products do not count towards your AANA calculations, some Buy-side choose to hold positions as FX Futures in order to reduce their bilateral exposure and stay under the threshold at which bilateral margining against each of their counterparts becomes a requirement.

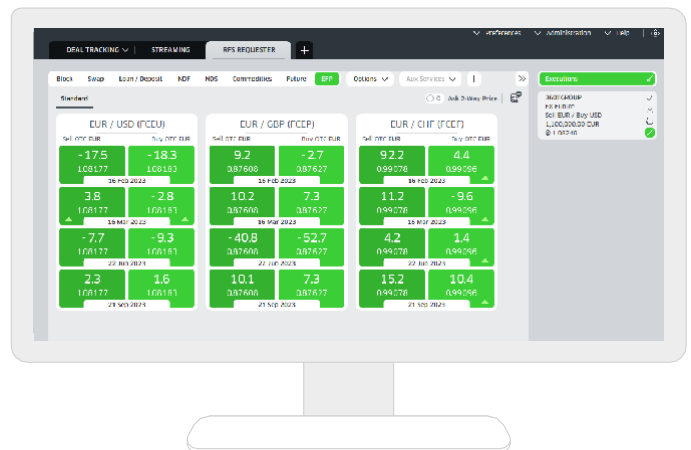
Get tighter forward pricing from banks hindered by SA-CCR regulation

With SA-CCR leading to significantly widened bank forward pricing in certain circumstances over the past year, more banks are using FX Futures in order to price clients competitively OTC again, by clearing the results as Futures in order to avoid the regulatory constraints of bilateral positions which they would otherwise now have to price-in.

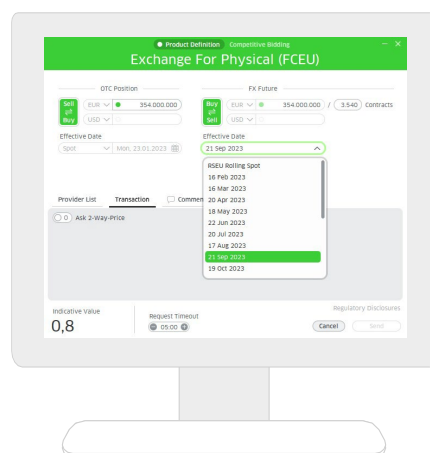
Face the liquidity providers you need, without the cost of maintaining and using bilateral credit/settlement relationships

Remove the cost of credit from your execution price. With FX Futures you can face liquidity providers without a bilateral credit or settlement relationship, as there is never any bilateral exposure prior to the exchange confirming execution, at which point the trade immediately clears. So your FX Futures counterparty selection can be based on suitability for the trades you need to do, without the constraints of historical relationships, or the use of bilateral lines.

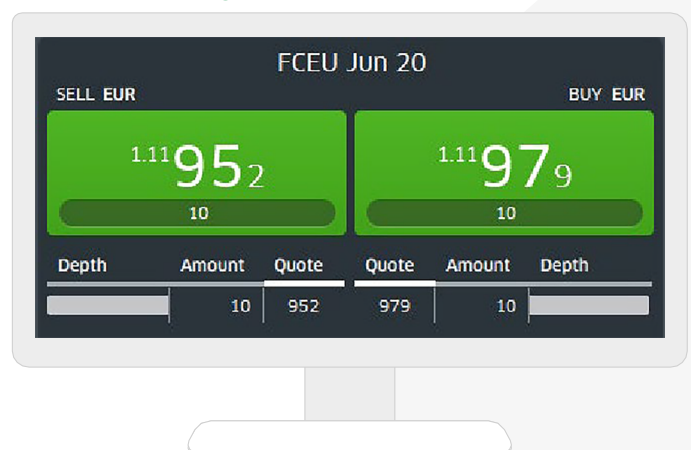
360T FX Futures alongside your OTC FX



Put your LPs in competition for your EFP and BLOCK Futures orders



360T Real Time Access To Futures Pricing and the Exchange CLOB



Key Points at a Glance

FX Futures Execution	Description	360T Support
The Exchange CLOB	An all-to-all central limit orderbook, where everybody faces the same pricing, anonymously, with no maker / taker distinction.	Yes - Real time CLOB pricing and direct access is available in 360T, or if you prefer, you can route your futures orders to selected futures brokers who will handle the execution on your behalf.
The Off-Exchange BLOCK Futures pool	An OTC relationship trading model where you agree outright buy/sells of FX Futures- then the agreed trade is sent to the exchange for execution and clearing.	Yes – 360T lets you put your LPs in competition, just like you do for other OTC transactions -then provides full STP into the exchange for execution and clearing.
The Off-Exchange EFP transaction (sometimes called EFRP)	An OTC relationship trading model where you instruct your LP to use OTC FX liquidity to build your target position, generally also at a target execution price, then clear that OTC position into Futures for you at the exchange.	Yes – 360T is the only FX venue where you can put your LPs in competition for EFP. Once the trade is concluded, 360T provides full STP into the exchange for execution and clearing.

Do I need to be a member of the exchange to use FX Futures?

No you do not need to be a member – you just need to use the services of a clearing broker who will handle your FX Futures clearing and related post-trade life-cycling at the exchange.

While you could become a trading member of the exchange in order to trade direct in the CLOB, it is more typical to become an agency client of an exchange member who will accept your orders and instructions, then handle the futures CLOB execution on your behalf. This is separate to your clearing broker relationship.

You do not need to be an exchange member to use off-exchange transactions (BLOCK Futures and EFP) – you trade against the liquidity providers you choose – then your clearing broker will receive and accept the agreed trades at the exchange so they execute and clear.

Key Points: Trade OTC FX and FX Futures Side-by-side in 360T

- See where FX Futures market is for particular currency pair and value date.
- Put your LPs in competition for your off-exchange FX Futures trades – Block Futures/EFP.
- Enjoy full STP of your trades into the exchange – reducing operational error, missing details.
- Integrate your OMS into 360T for FX Futures flow too.

Please do not hesitate to contact your local account manager for more information or contact us at FuturesAndClearing@360t.com · www.360T.com

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