Interest Rate ENNs: Futures Addendum
Analysis as of June 12, 2020

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Entity-netted notionals were introduced in a paper published in the beginning of 2018; ENNs, in that original paper, aimed to provide a measure for the amount of risk transfer in rate swaps that is comparable to measures used for other interest rate markets, such as U.S. Treasury securities and corporate bond markets.[3] More recently, the work developing entity-netted notional values for the interest rate market was expanded to another interest rate derivatives market – interest rate futures. The first interest rate futures quarterly ENNs report was published in September 2019, summarizing positions as of 2Q 2019.[4]

Table 1: Futures ENNs by Financial Contract

	Notional Amounts ($tns)		Notional Amounts in 5-Year Equivalents ($tns)			
Contract	**Long**	**Short**	**Long**	**Short**	**ENNs Long**	**ENNs Short**
2 Year Note	0.42	0.43	0.15	0.15	0.12	0.13
5 Year Note	0.43	0.44	0.32	0.32	0.26	0.26
10 Year Note	0.55	0.55	0.50	0.50	0.38	0.38
Ultra 10 Year Note	0.09	0.08	0.24	0.21	0.20	0.17
30 Year Bond	0.15	0.15	0.36	0.37	0.28	0.29
Ultra 30 Year Bond	0.09	0.09	0.74	0.77	0.59	0.63
Eurodollar	56.67	56.70	0.52	0.53	0.21	0.20
	58.40	**58.44**	**2.83**	**2.85**	**2.04**	**2.06**
Aggregate Netting					**1.39**	**1.42**

Table 2: Futures ENNs by Participant Type

	Notional Amounts ($tns)		Notional Amounts in 5-Year Equivalents ($tns)			
Participant Type	**Long**	**Short**	**Long**	**Short**	**ENNs Long**	**ENNs Short**
Asset Manager	5.28	4.36	1.76	1.03	0.97	0.25
Intermediary	11.37	12.23	0.29	0.51	0.13	0.35
Leveraged Speculator	40.83	41.14	0.61	1.24	0.15	0.78
Other Financial	0.75	0.56	0.17	0.07	0.14	0.04
Non-Financial	0.17	0.15	0.00	0.00	0.00	0.00
	58.40	**58.44**	**2.83**	**2.85**	**1.39**	**1.42**

[1] This research was produced in each author's official capacity. The report was cleared for public distribution by the Office of the Chief Economist. The analyses and conclusions expressed in this report are those of the author(s) and do not necessarily reflect the views of other Commission staff, the Office of the Chief Economist, or the Commission.

[2] Bruce Tuckman is a consultant with the Office of the Chief Economist. He served as the Commission's Chief Economist between August 2017 and July 2020.

[3] The link to the original paper can be found here.

[4] The original futures ENNs report, which includes a detailed discussion of the methodology, can be found here.