



Circular

14 June 2017

Circular No. **DC/AM 41 of 2017**

Change in Administration Fee Calculation for the Management of Collateral

On 27 July 2016, SGX issued Circular No. DC/AM – 63 of 2016 to notify Clearing Members of Application of Negative Interest Rates to Excess Cash Margin Collateral and Change in Administration Fee Calculation for the Management of Collateral.

SGX has since undergone review of the administration fee (“**Admin Fee**”) and will be ceasing the waiver of administration fee for the case where the daily weighted average interest rate is negative.

With effect from 1 July 2017, SGX-DC will apply the following policy:

where the daily weighted average interest rate is negative, the Clearing Member shall pay to SGX-DC the daily weighted average interest rate plus the Admin Fee of 0.125% on its excess cash margin Collateral.

The rest of the policy in the Circular No. DC/AM – 63 of 2016 remains unchanged.

If you have any queries regarding this Circular, please contact your respective SGX Business manager.

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