

Client Case Study

Canadian Derivatives Clearing Corporation (CDCC, a TMX Group Company)

Overview

Canadian Derivatives Clearing Corporation (CDCC), a wholly-owned subsidiary of the Montréal Exchange (MX), acts as the central clearing counterparty (CCP) for derivative products traded on MX in Canada and for a growing range of customized financial instruments. CDCC occupies a unique position in the Canadian financial markets; its role is to ensure the integrity and stability of the market it supports. In addition:

- CDCC is the only integrated CCP in North America that clears and settles futures, options, and options on futures.
- CDCC has a track record of more than 35 years as the CCP for exchange-traded derivative products in Canada.
- CDCC has more than 30 clearing members, including major Canadian financial institutions and brokers.

Like other CCPs worldwide, CDCC promotes fair market access to its different products, and effectively balances access to participants while applying robust monitoring practices, a process critical to anticipating and reacting to potential changes in participant creditworthiness.

How CDCC Uses Credit Benchmark

In order to harmonize the credit assessment of the different types of participants, CDCC employs data from Credit Benchmark, **which serves to augment its risk assessment of clearing members and counterparties.**

This data, available via the Application Programming Interface (API) and the Credit Benchmark Web Application, offers **significant insights, especially concerning private and unrated entities.**

Information is used by CDCC to **refine its decision-making processes, manage counterparty exposures, and strengthen its risk oversight capabilities.**

"Credit Benchmark's data has contributed directly to strengthening our ability to manage counterparty risk and enhancing internal reporting, leading to more confident, proactive risk decisions. We are able to more efficiently monitor various members and service providers."

**– Vladimir Levtsun, Acting Director
Financial Resilience Risk, CDCC**



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Know Risk. Know Credit Benchmark.