

STRENGTHEN CLEARING MEMBER RISK MANAGEMENT WITH INDEPENDENT CREDIT INTELLIGENCE

Credit Benchmark turns bank consensus into earlier, more defensible decisions.

Central Counterparties sit at the core of the financial system, with a mandate to absorb shocks, contain contagion, and maintain market stability during periods of stress. Yet today's risk landscape is shaped by rising geopolitical tension, growing exposure to private and unrated entities, and fragmented credit information – making it harder to identify emerging vulnerabilities.

CCP risk teams make high-impact decisions on margining, exposure limits, default fund adequacy, and member participation. Yet the credit risk information informing these decisions is often

delayed, incomplete or unavailable – particularly for private, unrated, or structurally complex clearing members. As a result, CCPs face a trade-off: act too late and risk spreads, act too aggressively and market participation and liquidity can be unnecessarily constrained.

Credit Benchmark provides an independent, consensus-based view of credit risk across clearing members and their broader networks, helping risk teams detect deterioration earlier and make more confident decisions on margin, participation, and exposure management.

Key Challenges for CCP Risk Teams

Traditional credit information sources leave critical gaps:

01

External ratings are infrequent and often unavailable for subsidiaries, private or non-bank members

02

Market indicators can be noisy, pro-cyclical, or unreliable during periods of stress

03

Internal models require independent benchmarks to satisfy governance and supervisory expectations

04

Cross-membership and correlated exposures are difficult to detect early

05

Second-order dependencies (parent, sovereign, funding and liquidity linkages) are often opaque

The result is a persistent balancing act: acting early enough to contain risk without reacting so bluntly that market participation or liquidity is unnecessarily constrained.

What Credit Benchmark Delivers

Credit Benchmark enhances the balancing act between appropriately containing risk and ensuring efficient market participation with peer-validated credit data.

<p>Earlier Identification of Emerging Member Risk</p> <p>Consensus movements often reveal shifts in credit perception ahead of ratings changes or defaults, enabling CCPs to adjust margin and stress assumptions early — particularly amid contagion, sovereign stress, or correlated member weakness.</p>	<p>Independent Validation for Governance and Supervision</p> <p>Credit Benchmark complements internal model validation and calibration by providing an external reference point. Strengthen committee decisions, and enhance supervisory confidence.</p>	<p>Improved Visibility into Private and Unrated Members</p> <p>Consensus data extends credit insight beyond ratings coverage, enabling more consistent onboarding, monitoring, and limit-setting for private, unregulated, or structurally complex clearing members.</p>
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WHAT WE DO

Over the past decade, Credit Benchmark has partnered with the world's leading banks to build a unique, consensus-based view of credit risk. Created directly from their credit risk teams, our dataset covers public and private entities globally, of which the majority are unrated by traditional credit rating agencies.

Each month, we process millions of risk observations, transforming institutional judgment into independent, consensus credit data.

Our customers are leveraging the wisdom of the crowds to prepare for a changing credit environment. This collective view of credit risk from the global banking system helps strengthen transparency, detect emerging vulnerabilities earlier, and enhance resilience across cleared markets.

CCP Solutions:

 <p>Monitoring clearing member credit quality</p> <ul style="list-style-type: none"> • Monitor credit deterioration in members • Benchmark internal credit assessments • Detect early warning insight before rating agencies move 	 <p>Collateral risk management</p> <ul style="list-style-type: none"> • Deciding which assets qualify as collateral • Monitoring deterioration of collateral issuers
 <p>Stress testing and default fund sizing</p> <ul style="list-style-type: none"> • Default scenarios for specific members • Sector-wide credit deterioration (e.g., European banks) 	 <p>Regulatory and model validation support</p> <ul style="list-style-type: none"> • External validation benchmark • Model calibration reference

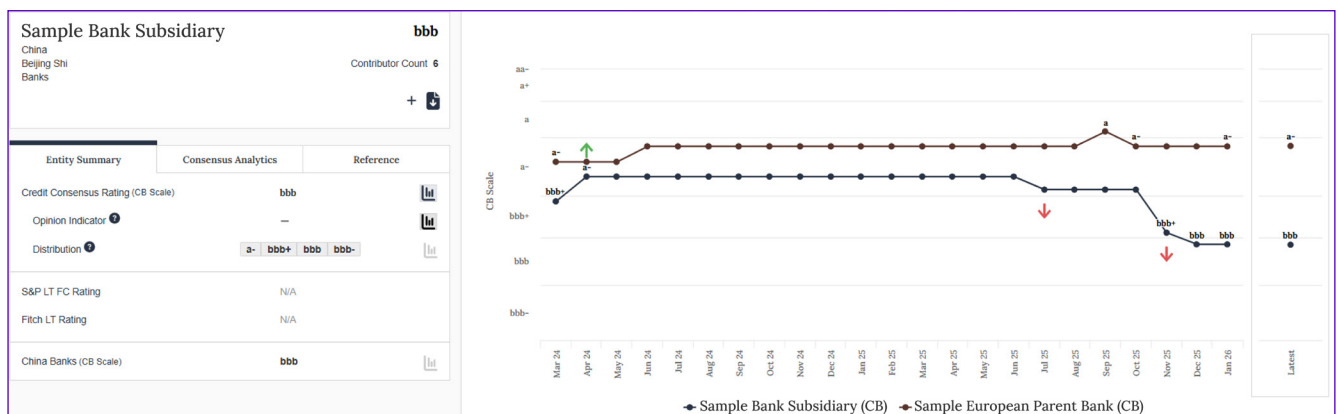
LOOK-THROUGH RISK ACROSS ENTITY, PARENT, SOVEREIGN AND CONCENTRATION

Risk is rarely driven by a single name in isolation. The most damaging events arise from second-order effects: correlated deterioration across clearing members, shared parent dependencies, sovereign stress, and liquidity contagion. Managing these “look-through” risks requires visibility not only at the clearing member entity level, but across parent groups, jurisdictions, and aggregate concentrations.

Credit Benchmark supports credit intelligence at four levels:

	Entity-level: clearing member monitoring, eligibility, margin add-ons
	Parent-level: group support risk and contagion across subsidiaries
	Sovereign-level: wrong-way risk and correlated domestic stress
	Aggregate views: concentration monitoring and correlated default scenarios for stress testing and default fund sizing

Below is an entity-level view from the CB web app showing the diverging credit quality of a large European investment bank and its China-based subsidiary. The subsidiary is rated two notches below its parent, unrated by a traditional ratings agency and with a total of 6 different banks’ views making up the consensus rating.



The Outcome

Credit Benchmark helps CCPs:

Identify emerging risk earlier	Reduce blind spots in member monitoring	Strengthen risk committee and supervisory dialogue	Act proportionately before stress becomes systemic
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A MONTHLY VIEW OF CONSENSUS RISK

Our Central Counterparty (CCP) monitor shares the consensus views of Credit Benchmark’s contributing banks and the change in the credit risk of CCPs and their members.

The purpose of the below table is to demonstrate our coverage of clearing members and is not in any way a reflection of the credit worthiness of the CCPs themselves.

This list displays those CCPs for which Credit Benchmark can generate aggregated consensus credit risk data on CCP members.

Name	Member Coverage**	Median	CCP Member Aggregate*								UG↑	DG↓
			aaa	aa	a	bbb	bb	b	c			
North America												
CANADIAN DEPOSITORY FOR SECURITIES	50/97 (52%)	a-	0	4	25	11	10	0	0	0	8%	8%
CANADIAN DERIVATIVES CLEARING CORP	27/37 (73%)	a-	0	5	13	3	6	0	0	4%	4%	
CHICAGO MERCANTILE EXCHANGE INC	48/63 (76%)	a-	0	2	29	6	10	1	0	8%	8%	
DEPOSITORY TRUST AND CLEARING CORPORATION	155/236 (66%)	a-	0	10	77	28	37	2	1	7%	8%	
FIXED INCOME CLEARING CORP - GOV	137/195 (70%)	a-	0	10	84	24	18	1	0	7%	11%	
FIXED INCOME CLEARING CORP - MBS	112/142 (79%)	a-	0	18	60	21	13	0	0	7%	11%	
ICE CLEAR CREDIT LLC	29/29 (100%)	a	0	2	24	2	1	0	0	3%	17%	
ICE CLEAR US INC	26/34 (76%)	a-	0	0	16	2	7	1	0	8%	12%	
ICE NGX CANADA INC	131/206 (64%)	bbb	0	4	35	54	33	5	0	2%	2%	
MINNEAPOLIS GRAIN EXCHANGE INC	8/12 (67%)	a-	0	0	5	1	2	0	0	25%	12%	
NODAL CLEAR LLC	12/15 (80%)	a-	0	1	9	1	1	0	0	0%	17%	
OPTIONS CLEARING CORP	85/107 (79%)	bbb	0	0	39	15	29	1	1	5%	5%	
APAC												
ASX CLEAR FUTURES PTY LTD	19/20 (95%)	a-	0	4	8	5	2	0	0	0%	11%	
CLEARING CORP OF INDIA LTD	23/30 (77%)	bbb+	0	2	9	4	6	1	1	9%	13%	
HONG KONG SECURITIES CLEARING CO LTD	21/24 (88%)	a	0	3	12	4	2	0	0	14%	0%	
ICE CLEAR SINGAPORE PTE LTD	5/8 (62%)	bbb	0	0	2	1	2	0	0	0%	20%	
INDIAN CLEARING CORP LTD	17/19 (89%)	bbb-	0	0	4	6	7	0	0	12%	0%	
KOREAN EXCHANGE	22/35 (63%)	bbb-	0	0	2	10	10	0	0	5%	5%	
MCX SX CLEARING CORP LTD	11/13 (85%)	bbb-	0	0	0	6	5	0	0	27%	0%	
OTC CLEARING HONG KONG LTD	22/24 (92%)	a-	0	3	13	4	2	0	0	14%	0%	
SHANGHAI CLEARING HOUSE CO LTD	48/55 (87%)	bbb+	0	5	17	15	11	0	0	10%	0%	
SINGAPORE EXCHANGE DERIVATIVES CLEARING LTD	15/26 (58%)	a-	0	2	9	1	3	0	0	7%	0%	
SINGAPORE EXCHANGE SECURITIES TRADING LTD	14/25 (56%)	a-	0	2	6	3	3	0	0	0%	0%	
TOKYO FINANCIAL EXCHANGE INC	25/30 (83%)	a	0	0	21	3	1	0	0	8%	4%	
EMEA												
BME CLEARING	25/41 (61%)	a-	0	0	21	3	1	0	0	9%	26%	
CBOE CLEAR EUROPE NV	32/46 (70%)	a-	0	2	20	5	5	0	0	10%	10%	
CCP AUSTRIA ABWICKLUNGSSTELLE FUER BOERSENGESCHAEFTE GMBH	42/60 (70%)	bbb+	0	1	17	18	5	1	0	5%	10%	
EUREX CLEARING AG	175/218 (80%)	a-	2	16	96	44	15	2	0	11%	8%	
EURONEXT CLEARING	34/47 (72%)	a-	0	0	19	7	8	0	0	18%	18%	
EUROPEAN COMMODITY CLEARING	26/31 (84%)	a-	0	2	15	4	5	0	0	15%	19%	
ICE CLEAR EUROPE LTD	63/72 (88%)	a-	0	2	39	10	11	1	0	13%	14%	
ICE CLEAR NETHERLANDS BV	5/5 (100%)	a-	0	0	4	1	0	0	0	20%	0%	
KDPW CCP SA	26/43 (60%)	bbb+	0	0	11	10	4	1	0	12%	0%	
LCH CLEARNET SA	101/121 (83%)	a-	0	9	61	24	6	1	0	17%	11%	
LCH LTD	146/165 (88%)	a	0	18	99	21	8	0	0	11%	13%	
LME CLEAR LTD	37/45 (82%)	a-	0	1	20	8	7	1	0	11%	14%	
MAOF CLEARING HOUSE LTD	12/24 (50%)	bbb+	0	0	5	6	0	1	0	0%	8%	
NASDAQ CLEARING AB FINANCIAL MARKET	34/45 (76%)	a-	1	3	27	3	0	0	0	9%	18%	
SAFEX CLEARING CO PTY LTD	5/8 (62%)	bb	0	0	1	1	3	0	0	60%	20%	
SIX-X CLEAR AG	15/18 (83%)	a	0	0	12	2	1	0	0	0%	7%	
TEL AVIV STOCK EXCHANGE CLEARING HOUSE LTD	12/24 (50%)	bbb+	0	0	5	6	0	1	0	0%	8%	
Total	1,862/2,515 (74%)		3	132	995	403	305	21	3	3%	4%	

*The CCP Member Aggregates leverage data where CB has at least two bank observations.

**Only includes CCPs where the member coverage greater than 50%. The CCP Membership data has been databased from publicly available websites. We intend to refresh each CCP Membership regularly, or more frequently pending positive user feedback on this report.

Get in touch.

Speak with our team to see how Credit Benchmark’s consensus credit data can strengthen clearing member monitoring and support more confident risk decisions.

Contact us at info@creditbenchmark.com or visit www.creditbenchmark.com