

# ICE Credit Derivatives Services 4Q 2024

## 2024 Clearing Highlights

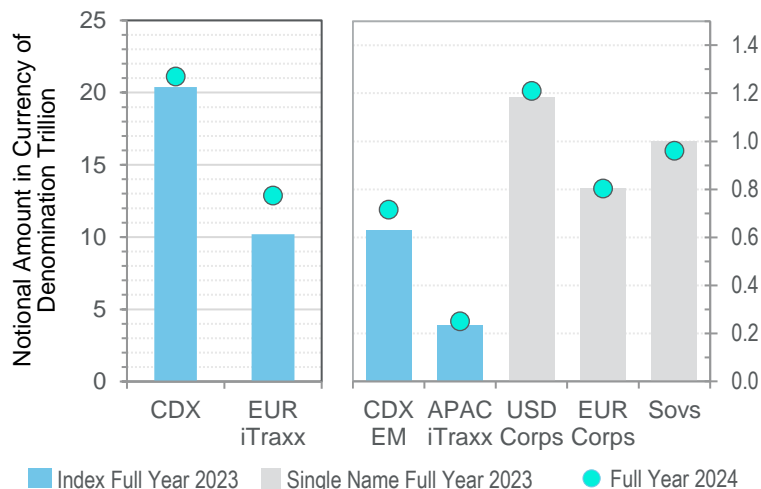
### ■ Total cleared notional amounts at ICE Clear Credit grew Year-Over-Year (YOY), setting a record during the September roll for daily cleared notional, see Figure 1 (A)

- First CDS clearinghouse to process over \$1.1T USD equivalent notional amount in one day
- 11% YOY growth of total cleared notional amount, from \$35.7T USD equivalent to \$39.6T in 2024
- 26% YOY growth of European Corporate iTraxx notional amount from €10.2T to €12.9T in 2024

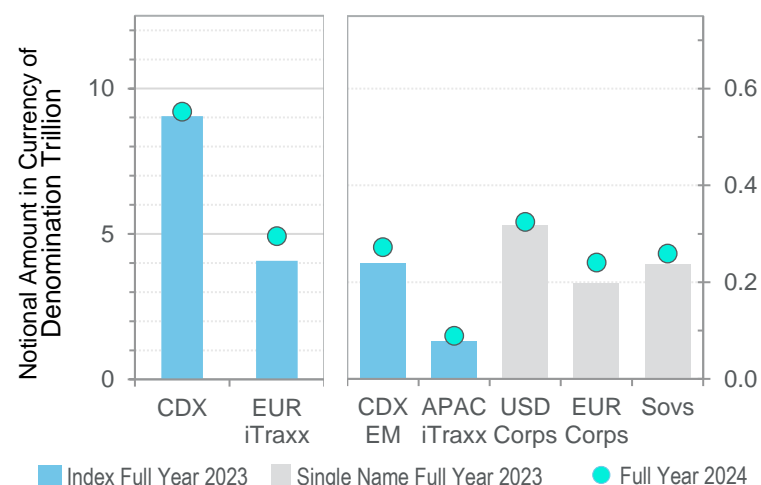
### ■ ICE Clear Credit continues to be the central counterparty of choice for CDS buy-side clearing

- \$16.0T of \$19.8T (81%) trade notional<sup>1</sup> cleared in 2024 was client-related, see Figure 2
- 21% YOY growth of European Corporate iTraxx client notional amount from €4.1T in 2023 to €4.9T in 2024, see Figure 1 (B)
- 22% growth YOY in European Corporate Single Name client notional amount from €198B in 2023 to €241B in 2024, see Figure 1(B)
- YOY growth in voluntary client Single Name clearing has been sustained for 9 of the last 10 years for both European and North America Corporate Single Name instruments, see Figures 4 (D) and 5 (D)
- Based on 1H 2024 estimates, client market share<sup>2</sup> is over 90% (94% EUR denominated Index, 94% EUR denominated Single Name, 99% US denominated Index, 99% USD denominated Single Name)

(A) ICE Clear Credit Combined Dealer and Client Volume  
Full Year 2024 vs Full Year 2023



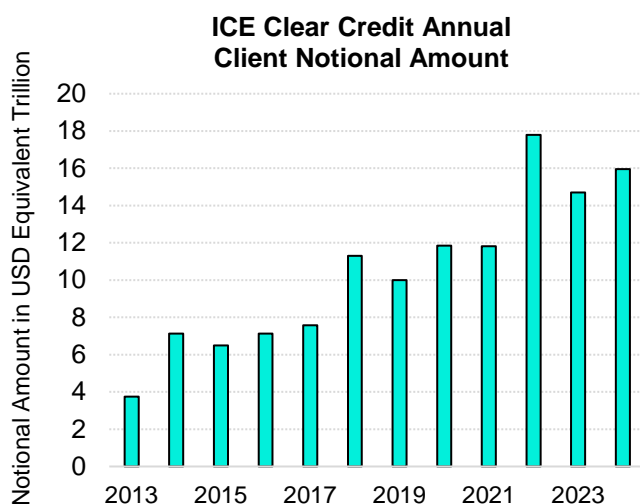
(B) ICE Clear Credit Client Volume  
Full Year 2024 vs Full Year 2023



**Figure 1: ICE Clear Credit 2024 vs. 2023 annual cleared notional amount by instrument category: (A) combined dealer and client, (B) client only**

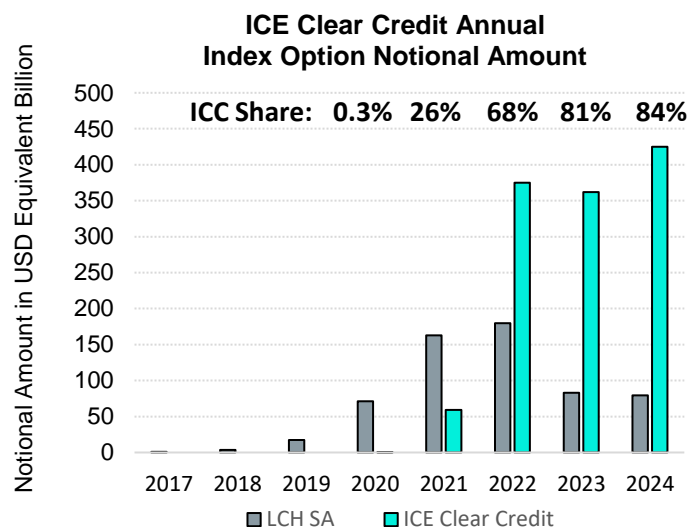
<sup>1</sup> Trade notional refers to the notional amount agreed by counterparties to a cleared trade, which is half the combined client/dealer notional amount reported for that trade in this paper. 81% is the Client Ratio considering all cleared trades. See Technical Notes.

<sup>2</sup> Market share estimates are based on ICE analysis of client related notional amounts and combined dealer/client notional amounts reported by LCH SA on its web site and social media posts.



**Figure 2: Annual client notional amounts cleared at ICE Clear Credit from 2013 through 2024**

- In 2024 the market for cleared Index Options continued to develop around ICE Clear Credit's innovative solution, increasing overall participation to 10 dealers, 36 buy-side firms, 135 portfolios and 3 FCMs, see Figures 3, 4(E), 4(F), 5(E) and 5(F)
  - 18% YOY growth in cleared Index Option notional amount from \$362B in 2023 to \$425B in 2024 (USD equivalent)
  - Increase in overall Index Option market share from 81% in 2023 to 84% in 2024
  - Increase in iTraxx option market share from 8% in 2023 to 35% in 2024, with cleared notional amount growing from €3.6B in 2023 to €21.4B in 2024
  - In 2024, 9 dealers actively<sup>3</sup> traded cleared CDX options with 19 buy-side firms, 50% of clients traded with 4 or more dealers, and there were 106 trades per active<sup>3</sup> dealer, on average
  - For iTraxx options in 2024, 4 dealers actively<sup>3</sup> traded (and 4 less actively traded) with 7 buy-side firms, 1 client traded with 4 or more dealers, and there were 36 trades per active<sup>3</sup> dealer, on average



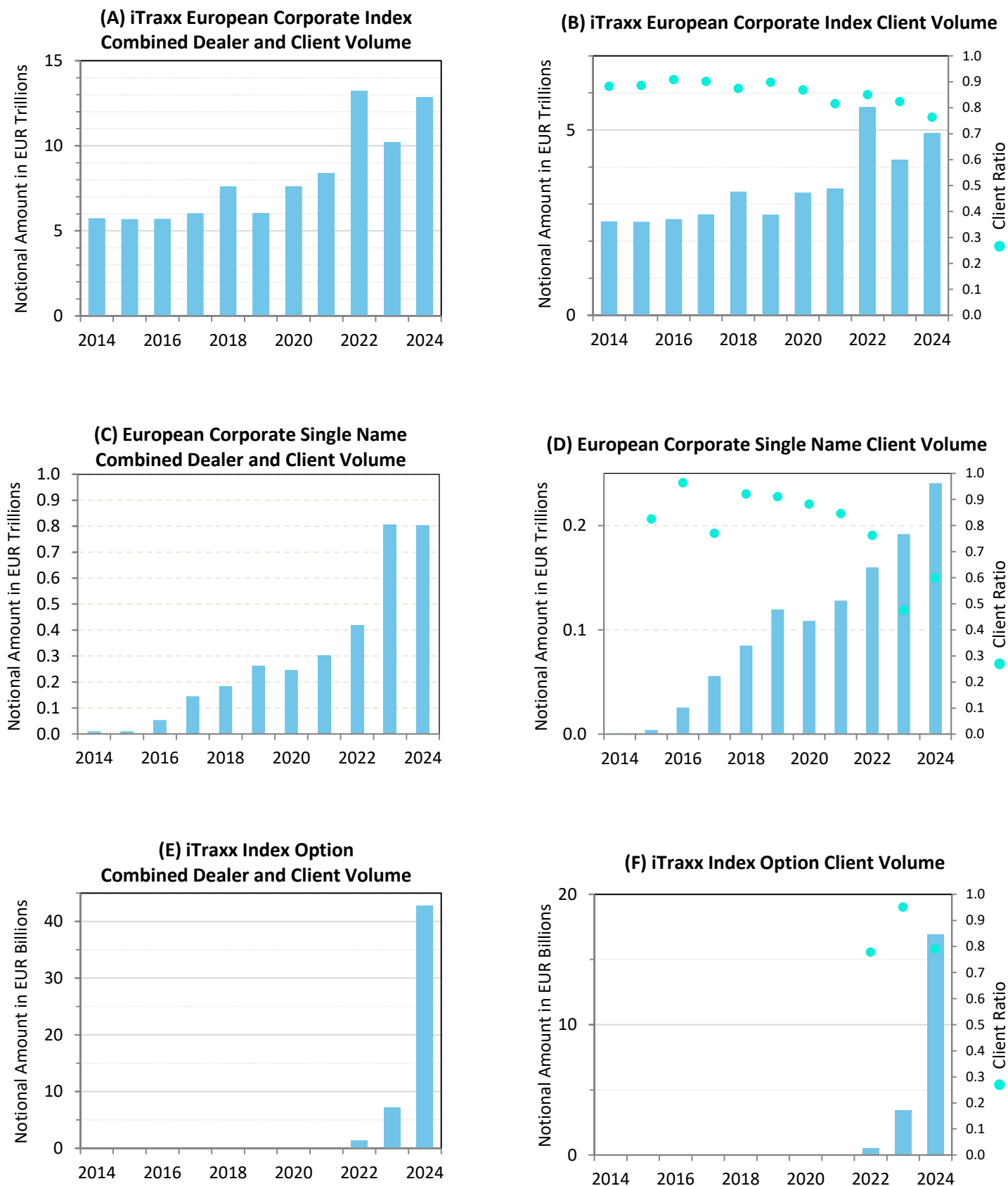
**Figure 3: ICE Clear Credit vs. LCH SA Index Option annual cleared notional amounts from 2017 through 2024. ICE Clear Credit launched its Index Option clearing service in November 2020.**

- ICE Clear Credit's share<sup>2</sup> of total cleared notional amount in 2024 was 87%
  - 76% and 64% share for EUR denominated Index and Single Name instruments, respectively
  - 96% and 99% share for USD denominated Index and Single Name instruments, respectively

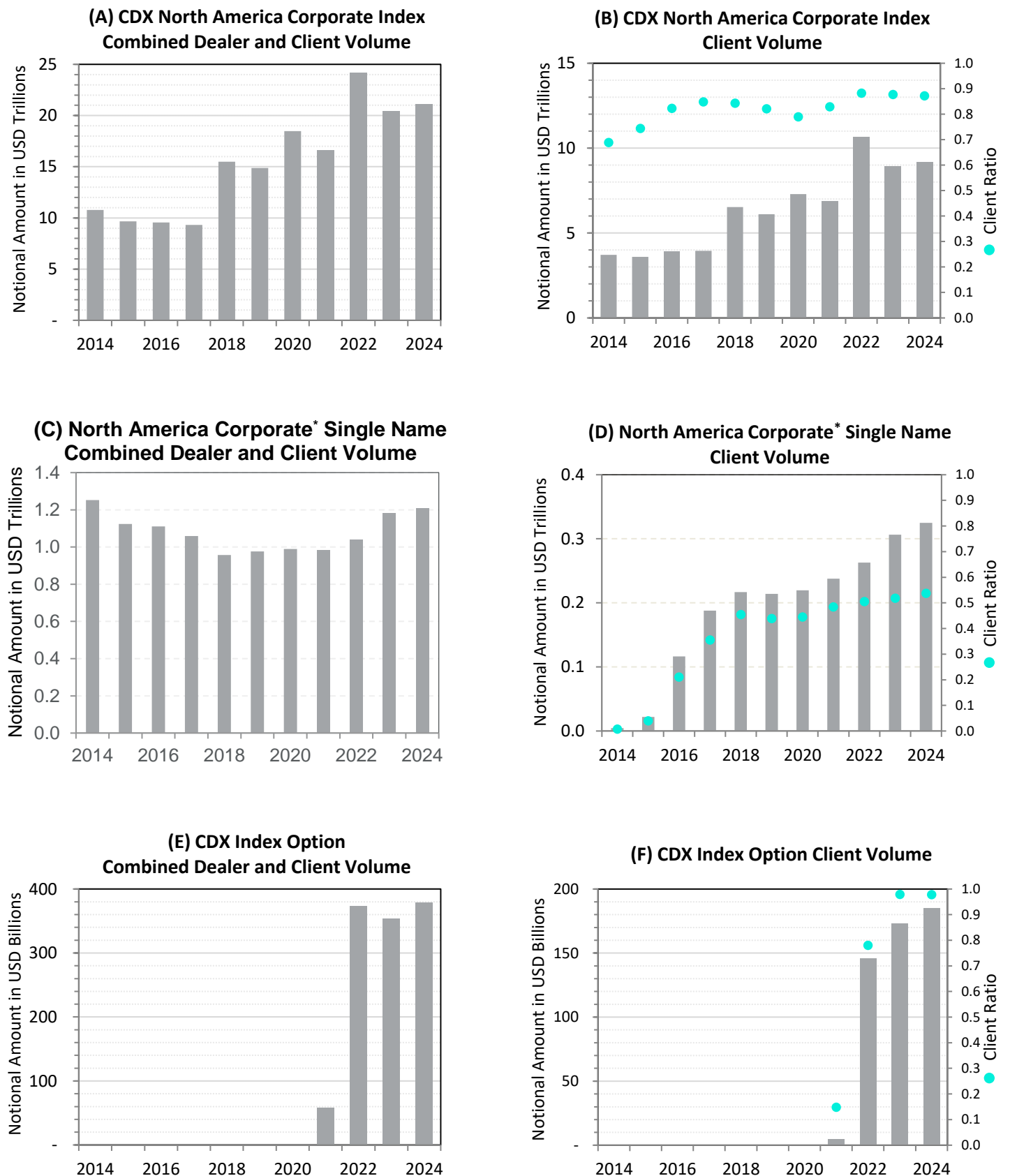
## Historical Volumes

Figures 4, 5 and 6 provide the evolution of client and combined client/dealer notional amounts at ICE Clear Credit from 2014 through 2024 for the European Corporate CDS complex, the North America Corporate CDS complex, and the Sovereign, Asia-Pacific and Emerging Markets CDS complex, respectively.

<sup>3</sup> 10 or more trades per year.

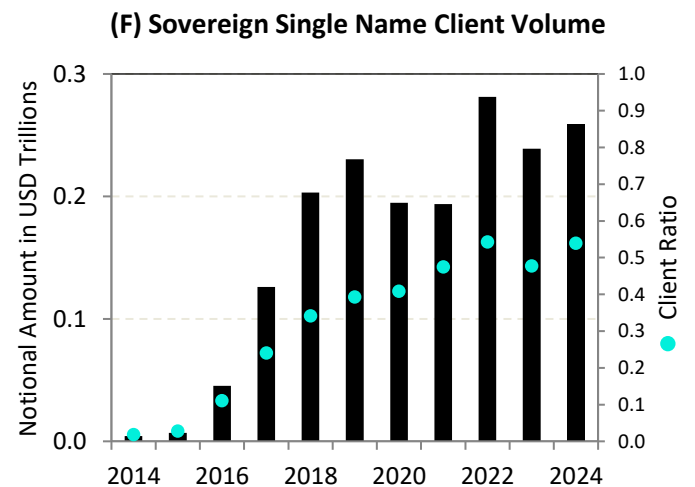
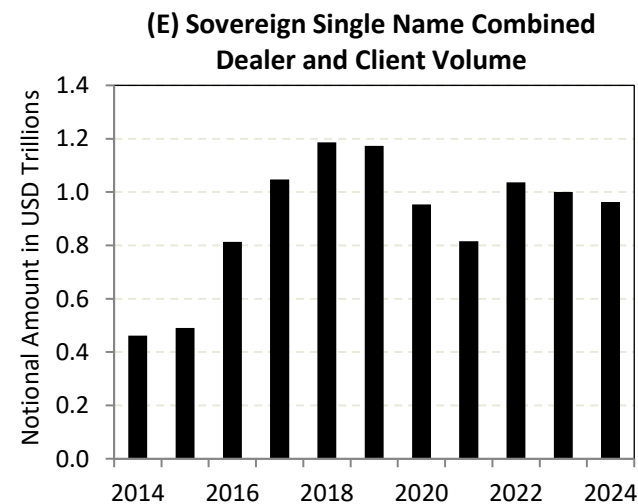
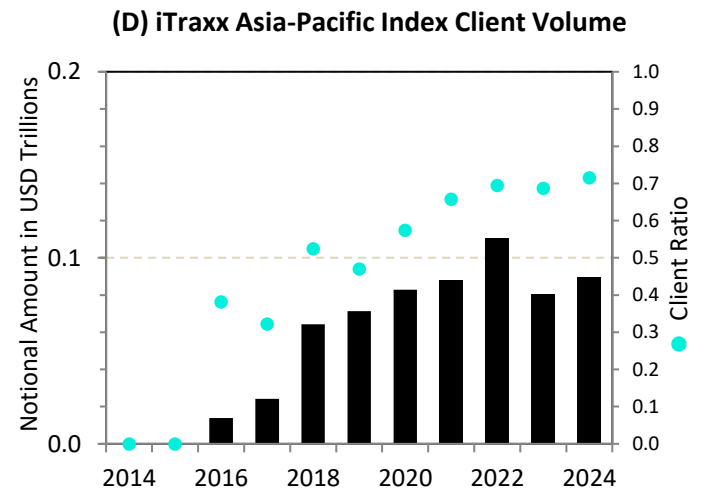
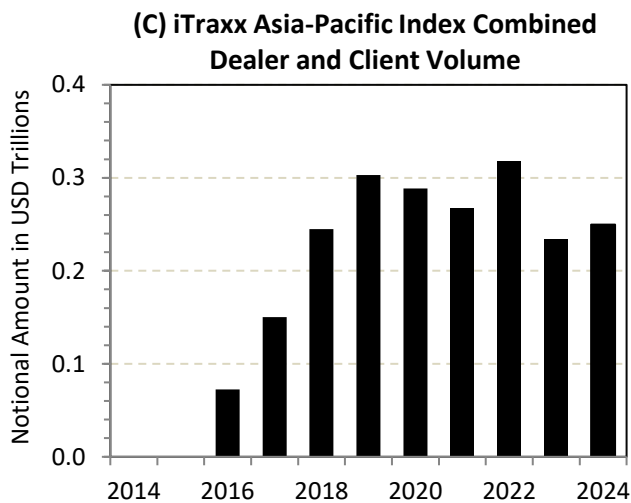
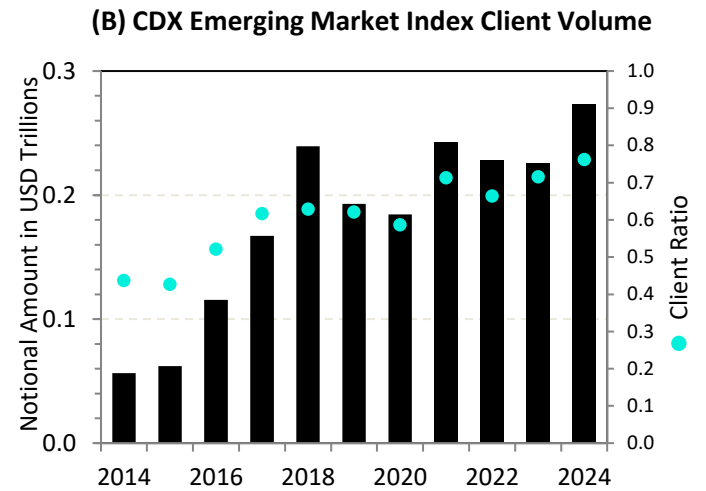
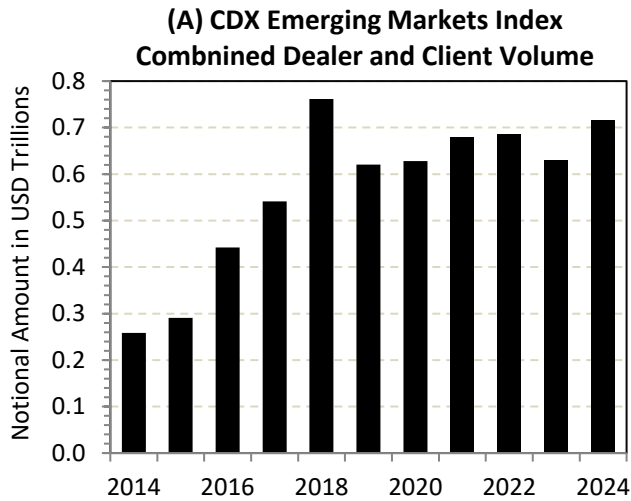


**Figure 4: Evolution of ICE Clear Credit notional amounts for the European corporate CDS complex.**



**Figure 5: Evolution of ICE Clear Credit notional amounts for the North America corporate CDS complex.**

\* Charts also include notional amounts from Asia-Pacific corporate single name instruments, which are small relative to North America corporate single name notional amounts.



**Figure 6: Evolution of ICE Clear Credit notional amounts for the Sovereign, Asia-Pacific and Emerging Markets CDS complex.**

# Technical Notes

## Volume Reporting

Combined client/dealer notional amounts are reported as double-sided, i.e., a transaction between two counterparties clearing a trade executed on a notional amount of \$10M is reported as a volume of \$20M.

Client volumes are reported based on the notional amount of each transaction leg associated with a buy-side counterparty. For example, a transaction between a dealer and client with a notional amount of \$10M is reported as \$20M combined client/dealer notional amount and \$10M client notional amount. A transaction between two clients with a notional amount of \$10 million is reported as a combined client/dealer notional amount of \$20M, and a client notional amount of \$20M. Please note that the clearing volumes on the ICE website are single-sided combined client/dealer notional amounts, and therefore are half the respective combined client/dealer volumes reported here.

Client Ratio is computed as client notional amount divided by 50% of the combined client/dealer notional amount, resulting in Client Ratio of 1.0 if all cleared trades are dealer-to-client and 0 if all cleared trades are dealer-to-dealer. This provides a reasonable approximation to quantify client-related activity since the notional amount for client-to-client trades is relatively small.