



NEWS RELEASE
For Immediate Release

ISDA Publishes Paper Examining Non-Cleared OTC Derivatives and Their Importance to the Global Economy

NEW YORK, March 13, 2013 – The International Swaps and Derivatives Association, Inc. (ISDA) today announced the publication of a paper, *Non-Cleared OTC Derivatives: Their Importance to the Global Economy*.

The non-cleared segment of the over-the-counter (OTC) derivatives market includes many important products with significant value to the economy. These products enable industrial companies and governments to effectively finance and manage risk in their operations and activities and help pension funds meet their obligations to retirees. They help support economic growth by enabling banks to lend to corporate and individual customers. They play a vital role in virtually every industry – from financial services to international trade to home mortgages.

Current regulatory proposals regarding margin requirements for non-cleared OTC derivatives pose significant threats to the continued functioning of this vital market segment. Such proposals also fail to fully consider the lessons learned regarding margin practices during the recent financial crisis.

The paper explains what non-cleared OTC derivatives are, who uses them and why. It outlines the evolution of clearing in the OTC derivatives markets, why some – but not all – OTC derivatives will be cleared, the types and benefits of non-cleared OTC derivatives and the impact of the regulatory proposals in this area.

The paper is available in the [ISDA website's Research section under Studies](#).

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About ISDA

Since 1985, ISDA has worked to make the global over-the-counter (OTC) derivatives markets safer and more efficient. Today, ISDA has over 800 member institutions from 60 countries. These members include a broad range of OTC derivatives market participants including corporations, investment managers, government and supranational entities, insurance companies, energy and commodities firms, and international and regional banks. In addition to market participants, members also include key components of the derivatives market infrastructure including exchanges, clearinghouses and repositories, as well as law firms, accounting firms and other service providers. Information about ISDA and its activities is available on the Association's web site: www.isda.org.

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