

SwapsInfo First Quarter of 2022 Review: Summary

The ISDA SwapsInfo Quarterly Review provides analysis of interest rate derivatives (IRD) and credit derivatives trading. The report provides a breakdown of cleared and non-cleared activity, swap execution facility (SEF) and off-SEF traded notional, product taxonomy and currency information.

IRD and credit derivatives traded notional and trade count data is taken from the ISDA SwapsInfo website (swapsinfo.org), using information from the Depository Trust & Clearing Corporation (DTCC) swap data repository (SDR).

This report covers only trades required to be disclosed under the US Commodity Futures Trading Commission regulations. Security-based swap transactions reported to the DTCC SDR under the US Securities and Exchange Commission regulations are not included in this report.

KEY HIGHLIGHTS FOR THE FIRST QUARTER OF 2022

Interest Rate Derivatives

In the first quarter of 2022, IRD traded notional and trade count grew by 22.5% and 7.0%, respectively, compared to the first quarter of 2021. Fixed-for-floating interest rate swaps (IRS) and overnight index swaps (OIS) traded notional increased by 8.2% and 222.7%, respectively, while forward rate agreement (FRA) traded notional decreased by 55.8%. Fixed-for-floating IRS and FRA trade count decreased by 23.0% and 50.7% in the first quarter of 2022 versus the first quarter of 2021, while OIS trade count was up by 355.8%.

In the first quarter of 2022:

- IRD traded notional increased to \$86.1 trillion in the first quarter of 2022 from \$70.3 trillion in the first quarter of 2021. Trade count rose to 577.2 thousand from 539.5 thousand over the same period.
- Single currency fixed-for-floating IRS traded notional increased to \$29.3 trillion in the first quarter of 2022 from \$27.0 trillion in the first quarter of 2021. FRA traded notional dropped to \$10.7 trillion from \$24.3 trillion and OIS traded notional rose to \$35.4 trillion from \$11.0 trillion.
- Single currency fixed-for-floating IRS accounted for 34.0% of total IRD traded notional and 45.3% of total IRD trade count. FRAs and OIS represented 12.5% and 41.1% of total traded notional and 7.2% and 32.4% of total trade count, respectively.
- Cleared IRD transactions represented 74.1% of total IRD traded notional and 72.8% of trade count. 89.2% of fixed-for-floating IRS, 94.7% of FRA, 71.8% of OIS and 19.9% of other IRD traded notional was cleared.
- SEF-traded IRD represented 57.8% of total IRD traded notional and 66.0% of trade count. 82.0% of fixed-for-floating IRS, 87.6% of FRA, 37.3% of OIS and 29.5% of other IRD traded notional was executed on SEFs.

- IRD contracts denominated in US dollars represented 52.6% of total IRD traded notional and 41.6% of total trade count. Euro-denominated transactions accounted for 30.3% of total traded notional and 28.2% of trade count. Sterling-denominated transactions comprised 7.1% and 6.5% of total IRD traded notional and trade count, respectively.
- Fixed-for-floating IRS and OIS traded notional denominated in US dollars increased by 28.1% and 403.7%, respectively, while US dollar-denominated FRAs decreased by 97.4% in the first quarter of 2022 versus the first quarter of 2021. Euro-denominated IRS, FRA and OIS traded notional increased by 44.8%, 38.6% and 285.8%, respectively. Sterling-denominated IRS and FRA traded notional fell by 99.7% and 100.0%, while sterling-denominated OIS traded notional increased by 28.4%.

Credit Derivatives

Credit derivatives traded notional and trade count increased by 69.9% and 62.6%, respectively, in the first quarter of 2022 compared to the first quarter of 2021¹. There was more trading activity across CDX HY, CDX IG and iTraxx Europe.

In the first quarter of 2022:

- Credit derivatives traded notional increased to \$4.5 trillion in the first quarter of 2022 from \$2.6 trillion in the first quarter of 2021. Trade count grew to 113.6 thousand from 69.8 thousand over the same period.
- CDX HY traded notional rose by 60.6% to \$668.5 billion in the first quarter of 2022 from \$416.3 billion in the first quarter of 2021. CDX IG traded notional increased by 54.2% to \$1.5 trillion from \$984.8 billion and iTraxx Europe traded notional increased by 103.3% to \$1.2 trillion from \$571.0 billion.
- CDX HY and CDX IG represented 14.8% and 33.7% of total credit derivatives traded notional and 27.2% and 23.0% of total trade count, respectively. iTraxx Europe accounted for 25.8% of total credit derivatives traded notional and 18.2% of total trade count.
- Cleared credit derivatives transactions represented 83.1% of total traded notional and 87.6% of total trade count in the first quarter of 2022. 97.7% of CDX HY, 98.0% of CDX IG, 94.1% of iTraxx Europe and 43.9% of other credit derivatives traded notional was cleared.
- SEF-traded credit derivatives represented 82.2% of total traded notional and 86.9% of trade count. 96.8% of CDX HY, 97.0% of CDX IG, 93.3% of iTraxx Europe and 43.1% of other credit derivatives traded notional was executed on SEFs.
- Credit derivatives contracts denominated in US dollars represented 58.4% of total traded notional and 59.9% of trade count. Euro-denominated transactions accounted for 41.5% and 39.8% of total traded notional and trade count, respectively.

¹ Credit derivatives mostly comprise credit default swap (CDS) indices, but also include CDS index tranches, credit swaptions, exotic products, total return swaps and insignificant amount of single-name CDS



ISDA has published other recent research papers:

- ***Transition to RFRs Review: First Quarter of 2022***
<https://www.isda.org/a/OkVgE/Transition-to-RFRs-Review-First-Quarter-of-2022.pdf>
- ***ISDA-Clarus RFR Adoption Indicator: March 2022***
<https://www.isda.org/a/GvPgE/ISDA-Clarus-RFR-Adoption-Indicator-March-2022.pdf>
- ***Interest Rate Derivatives Trading Activity in the EU, UK and US: January 2022***
<https://www.isda.org/a/yQPgE/Interest-Rate-Derivatives-Trading-Activity-Reported-in-EU-UK-and-US-Markets-January-2022.pdf>

ISDA has expanded its SwapsInfo website to include IRD trading activity reported in the EU and UK. The new data is based on transactions publicly reported by 30 European APAs and TVs. European data is based on the location of reporting venues (EU versus UK), product taxonomy, currency, tenor, and execution venue. To access the expanded SwapsInfo website, [click here](#).

For questions on ISDA Research, please contact:

Olga Roman
Head of Research
International Swaps and Derivatives Association, Inc. (ISDA)
Office: 212-901-6017
oroman@isda.org

ABOUT ISDA

Since 1985, ISDA has worked to make the global derivatives markets safer and more efficient. Today, ISDA has more than 980 member institutions from 78 countries. These members comprise a broad range of 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, such as exchanges, intermediaries, clearing houses 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 website: www.isda.org. Follow us on [Twitter](#), [LinkedIn](#), [Facebook](#) and [YouTube](#).