

Initial Margin Collected by Top 20 Firms Up by Nearly 20% in 2020, ISDA Margin Survey Finds

NEW YORK, April 21, 2021 – The International Swaps and Derivatives Association, Inc. (ISDA) has published its latest [annual margin survey](#), which shows a substantial increase in the amount of initial margin (IM) and variation margin (VM) collected by the 20 largest market participants for their non-cleared derivatives trades last year.

The top 20 firms (known as phase-one entities) collected \$207.3 billion in IM for their non-cleared derivatives transactions at year-end 2020, an increase of 19.7% versus 2019. Of that amount, \$129.2 billion was required under regulatory IM requirements, a 22.8% rise from year-end 2019. A further \$78.1 billion was collected from counterparties and/or for transactions not currently in scope of the margin rules, including legacy transactions.

The ISDA Margin Survey looks at the impact of regulatory and other changes on collateral practices, and analyzes the amount and type of IM and VM posted for non-cleared derivatives. The amount of regulatory IM has been increasing as margin rules for non-cleared derivatives have been phased in since September 2016 and more firms and new transactions have become subject to the requirements.

VM collected by phase-one firms for non-cleared derivatives totaled \$1.2 trillion at year-end 2020, an increase of 29.8% compared with the end of 2019. This includes \$638.5 billion of regulatory VM, a rise of 44.6% versus the previous year. Discretionary VM climbed by 15.4% to \$526.1 billion. The survey attributes the increase in VM to significant asset price movements driven by coronavirus-related market volatility.

The survey also analyzes the amount of IM posted for cleared derivatives. IM posted at major central counterparties (CCPs) by all market participants for cleared interest rate derivatives and credit default swap transactions totaled \$330.6 billion at the end of 2020. This represents an increase of 22.8% from \$269.2 billion at the end of 2019.

To collect this data, ISDA surveyed 34 firms subject to the margin requirements, out of which 32 responded. Responses were received from 20 phase one-firms, all six phase-two entities and six of the eight phase-three firms. ISDA also used publicly available margin data on cleared derivatives from two US CCPs, four European CCPs and two Asian CCPs.

[Click here to read the full survey.](#)

For Press Queries, Please Contact:

Nick Sawyer, ISDA London, +44 20 3808 9740, nsawyer@isda.org

Lauren Dobbs, ISDA New York, +1 212 901 6019, ldobbs@isda.org

Joel Clark, ISDA London, +44 20 3808 9760, jclark@isda.org

Christopher Faimali, ISDA London, +44 20 3808 9736, cfaimali@isda.org

Nikki Lu, ISDA Hong Kong, +852 2200 5901, nlu@isda.org

About ISDA

Since 1985, ISDA has worked to make the global derivatives markets safer and more efficient. Today, ISDA has over 925 member institutions from 75 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](#).

ISDA® is a registered trademark of the International Swaps and Derivatives Association, Inc.