

SwapsInfo Full Year 2023 and the Fourth Quarter of 2023 Review

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

Notional and trade count data for IRD and credit derivatives is obtained from the Depository Trust & Clearing Corporation (DTCC) swap data repository (SDR) and security-based swap data repository (SBSDR). It is available on the ISDA SwapsInfo website (swapsinfo.org).

This report covers IRD and index credit derivatives transactions disclosed to the DTCC SDR under US Commodity Futures Trading Commission (CFTC) regulations. Security-based credit derivatives analysis includes security-based transactions reported to the DTCC SBSDR and ICE Trade Vault under US Securities and Exchange Commission (SEC) regulations.

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KEY HIGHLIGHTS FOR THE FULL YEAR 2023 AND THE FOURTH QUARTER OF 2023

Interest Rate Derivatives

In 2023, IRD traded notional and trade count grew by 11.2% and 10.9%, respectively, compared to 2022¹. Overnight index swaps (OIS) traded notional increased by 51.4%, while fixed-for-floating interest rate swaps (IRS) and forward rate agreement (FRA) traded notional fell by 42.1% and 23.7%, respectively. OIS trade count rose by 42.6%, fixed-for-floating IRS trade count declined by 10.2% and FRA trade count dropped by 31.7%.

In the full year 2023:

- IRD traded notional rose to \$324.5 trillion in 2023 from \$291.9 trillion in 2022. Trade count increased to 2.5 million from 2.3 million over the same period.
- OIS traded notional grew to \$204.6 trillion in 2023 from \$135.2 trillion in 2022. Single currency fixed-for-floating IRS traded notional fell to \$49.5 trillion from \$85.5 trillion over the same period. FRA traded notional dropped to \$29.0 trillion from \$38.0 trillion.
- OIS accounted for 63.1% of total IRD traded notional and 47.2% of total IRD trade count. Single currency fixed-for-floating IRS and FRAs represented 15.2% and 8.9% of total IRD traded notional and 35.5% and 4.2% of total trade count, respectively.
- Cleared IRD transactions comprised 78.2% of total IRD traded notional and 79.8% of total trade count. 87.1% of fixed-for-floating IRS, 97.1% of FRA, 86.8% of OIS and 12.0% of other IRD traded notional was cleared.
- IRD transactions executed on SEFs accounted for 54.1% of total IRD traded notional and 68.3% of trade count. 68.0% of fixed-for-floating IRS, 86.9% of FRA, 49.4% of OIS and 38.0% of other IRD traded notional was traded on SEFs.

¹ This data only includes interest rate derivatives (IRD) transactions reported to the Depository Trust & Clearing Corporation (DTCC) swap data repository (SDR) under US Commodity Futures Trading Commission (CFTC) regulations

- IRD contracts denominated in US dollars represented 41.7% of total IRD traded notional and 35.5% of total trade count. Euro-denominated transactions accounted for 32.9% of total traded notional and 22.9% of trade count. Sterling-denominated transactions comprised 9.2% and 7.0% of total IRD traded notional and trade count, respectively.
- OIS traded notional denominated in US dollars increased by 54.5%, while US-dollar-denominated fixed-for-floating IRS and FRA traded notional declined by 84.1% and 57.7%, respectively. Euro-denominated OIS and IRS traded notional grew by 52.3% and 7.3%, respectively, while euro-denominated FRA traded notional fell by 22.7%. Sterling-denominated OIS traded notional rose by 24.9%.

In the fourth quarter of 2023:

- IRD traded notional increased by 7.5% to \$72.4 trillion in the fourth quarter of 2023 from \$67.4 trillion in the fourth quarter of 2022. Trade count rose by 7.6% to 614.6 thousand from 571.3 thousand over the same period.
- The rise in IRD traded notional was driven by an increase in OIS traded notional, which grew by 44.2% to \$47.7 trillion in the fourth quarter of 2023 from \$33.1 trillion in the fourth quarter of 2022. Single currency fixed-for-floating IRS traded notional fell by 30.9% to \$11.3 trillion from \$16.3 trillion, while FRA traded notional dropped by 61.1% to \$3.7 trillion from \$9.6 trillion over the same period.
- OIS represented 65.8% of total IRD traded notional and 52.3% of total trade count. Single currency fixed-for-floating IRS and FRAs represented 15.6% and 5.2% of total IRD traded notional and 33.9% and 1.9% of total trade count, respectively.
- Cleared IRD transactions accounted for 77.8% of total traded notional and 81.9% of trade count. 86.8% of fixed-for-floating IRS, 94.9% of FRA, 88.0% of OIS and 10.9% of other IRD traded notional was cleared.
- SEF-traded IRD made up 57.5% of total traded notional and 71.9% of trade count. 67.0% of fixed-for-floating IRS, 80.5% of FRA, 57.5% of OIS and 37.8% of other IRD traded notional was executed on SEFs.

- IRD contracts denominated in US dollars comprised 43.9% of traded notional and 34.8% of trade count. Euro-denominated transactions accounted for 30.6% of traded notional and 22.2% of trade count. Sterling-denominated transactions made up 6.9% and 7.5% of total IRD traded notional and trade count, respectively.
- OIS traded notional denominated in US dollars grew by 69.7%, while US-dollar-denominated fixed-for-floating IRS traded notional fell by 97.6%. US-dollar-denominated FRA traded notional declined by nearly 100.0% in the fourth quarter of 2023 compared to the same period in 2022. Euro-denominated OIS and IRS traded notional increased by 23.6% and 36.3%, respectively, while euro-denominated FRA traded notional fell by 60.2%. Sterling-denominated OIS and IRS traded notional dropped by 22.7% and 13.3%, respectively, in the fourth quarter of 2023 compared to the fourth quarter of 2022.

Index Credit Derivatives Reported Under CFTC Regulations

Index credit derivatives traded notional and trade count fell by 23.2% and 14.8%, respectively, in 2023 compared to 2022². There was less trading activity across CDX HY, CDX IG and iTraxx Europe.

In the full year 2023:

- Index credit derivatives traded notional dropped to \$11.0 trillion in 2023 from \$14.4 trillion in 2022. Trade count fell to 339.6 thousand from 398.4 thousand over the same period.
- CDX HY traded notional declined by 18.1% to \$1.9 trillion in 2023 from \$2.3 trillion in 2022. CDX IG traded notional fell by 20.3% to \$4.0 trillion from \$5.1 trillion and iTraxx Europe traded notional declined by 29.0% to \$2.5 trillion from \$3.5 trillion.
- CDX HY and CDX IG represented 16.8% and 36.5% of total index credit derivatives traded notional and 29.0% and 24.6% of total trade count, respectively. iTraxx Europe accounted for 22.8% of total index credit derivatives traded notional and 17.6% of total trade count.

² Index 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. This data only includes transactions reported to the DTCC SDR under CFTC regulations. Credit derivatives reported to the DTCC security-based swap data repository (SBSDR) under US Securities and Exchange Commission (SEC) regulations are not included in this data

- Cleared index credit derivatives transactions accounted for 86.4% of total index credit derivatives traded notional and 89.7% of total trade count. 99.4% of CDX HY, 99.4% of CDX IG, 96.3% of iTraxx Europe and 48.1% of other credit derivatives traded notional was cleared.
- SEF-traded index credit derivatives comprised 85.0% of total index credit derivatives traded notional and 88.6% of total trade count. 97.6% of CDX HY, 98.1% of CDX IG, 94.5% of iTraxx Europe and 47.2% of other credit derivatives traded notional was executed on SEFs.
- Index credit derivatives contracts denominated in US dollars made up 63.4% of total index credit derivatives traded notional and 63.8% of total trade count. Euro-denominated transactions accounted for 36.5% and 36.0% of total traded notional and trade count, respectively.

In the fourth quarter of 2023:

- Index credit derivatives traded notional declined by 4.9% to \$2.5 trillion in the fourth quarter of 2023 from \$2.6 trillion in the fourth quarter of 2022. Trade count fell by 3.8% to 78.8 thousand from 81.9 thousand over the same period.
- CDX HY traded notional grew by 3.0% to \$433.2 billion in the fourth quarter of 2023 from \$420.6 billion in the fourth quarter of 2022. CDX IG traded notional fell by 1.0% to \$937.5 billion from \$947.0 billion. iTraxx Europe traded notional declined by 15.6% to \$535.3 billion in the fourth quarter of 2023 from \$634.0 billion in the fourth quarter of 2022.
- CDX HY and CDX IG represented 17.3% and 37.4% of total index credit derivatives traded notional and 29.9% and 24.8% of total trade count, respectively. iTraxx Europe accounted for 21.4% of total index credit derivatives traded notional and 16.5% of total trade count.
- Cleared index credit derivatives transactions made up 85.6% of total index credit derivatives traded notional and 89.1% of trade count. 99.5% of CDX HY, 99.5% of CDX IG, 96.1% of iTraxx Europe and 44.2% of other credit derivatives traded notional was cleared.

- SEF-traded index credit derivatives represented 85.0% of total index credit derivatives traded notional and 88.6% of trade count. 97.6% of CDX HY, 98.5% of CDX IG, 95.5% of iTraxx Europe and 45.3% of other credit derivatives traded notional was executed on SEFs.
- Index credit derivatives contracts denominated in US dollars comprised 65.9% of total index credit derivatives traded notional and 66.1% of trade count. Euro-denominated transactions accounted for 34.0% and 33.7% of traded notional and trade count, respectively.

Security-based Credit Derivatives Reported Under SEC Regulations

In the fourth quarter of 2023:

- Security-based credit derivatives traded notional increased by 1.8% to \$167.8 billion in the fourth quarter of 2023 from \$164.9 billion in the fourth quarter of 2022. Trade count grew by 2.7% to 57.5 thousand from 56.0 thousand over the same period^{3,4}.
- Corporate single-name credit default swaps (CDS) traded notional grew by 1.5% to \$124.2 billion in the fourth quarter of 2023 from \$122.3 billion in the fourth quarter of 2022. Sovereign single-name CDS traded notional increased by 13.5% to \$33.6 billion from \$29.6 billion.
- Corporate single-name CDS traded notional accounted for 74.0% of total security-based credit derivatives traded notional and sovereign single-name CDS made up 20.0%. Corporate and sovereign single-name CDS represented 77.2% and 14.9% of total trade count, respectively. Other security-based credit derivatives traded notional comprised 6.0% of total security-based credit derivatives traded notional and 7.9% of total trade count.
- Cleared security-based credit derivatives transactions accounted for 50.1% of total security-based credit derivatives traded notional and 49.1% of total trade count. 54.5% of corporate single-name CDS and 48.4% of sovereign single-name CDS traded notional was cleared.

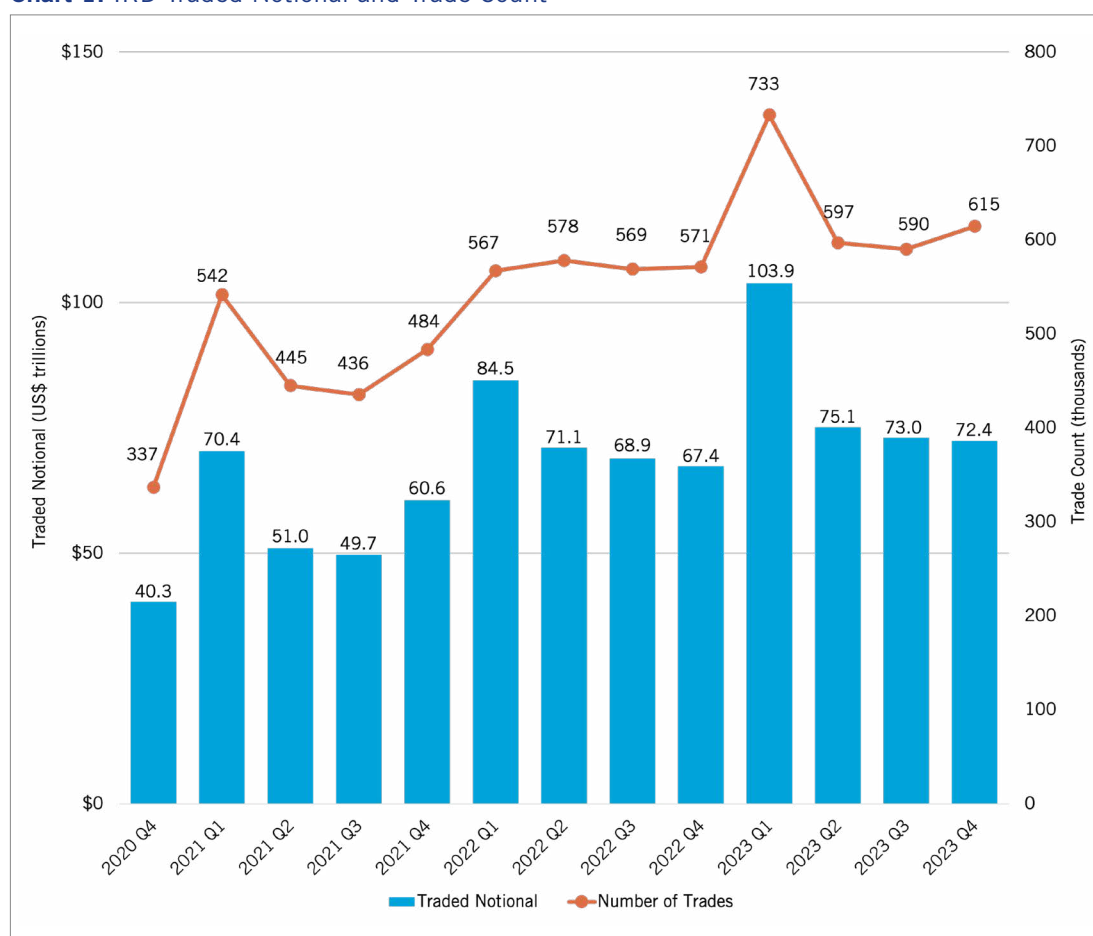
³ Security-based credit derivatives mostly comprise single-name CDS, but also include total return swaps, index, exotic, index tranche, swaptions and other single-name swaps (eg, asset-backed, loan and municipal security-based swaps)

⁴ This data includes security-based credit derivatives transactions reported to the DTCC SBSDR and ICE Trade Vault from February 2022 under SEC regulations. It does not include any transactions that are required to be reported to the DTCC SDR under CFTC regulations

INTEREST RATE DERIVATIVES

IRD traded notional rose by 7.5% to \$72.4 trillion in the fourth quarter of 2023 from \$67.4 trillion in the fourth quarter of 2022. Trade count grew by 7.6% over the same period to 614.6 thousand from 571.3 thousand⁵ (see Chart 1).

Chart 1: IRD Traded Notional and Trade Count



Source: DTCC SDR

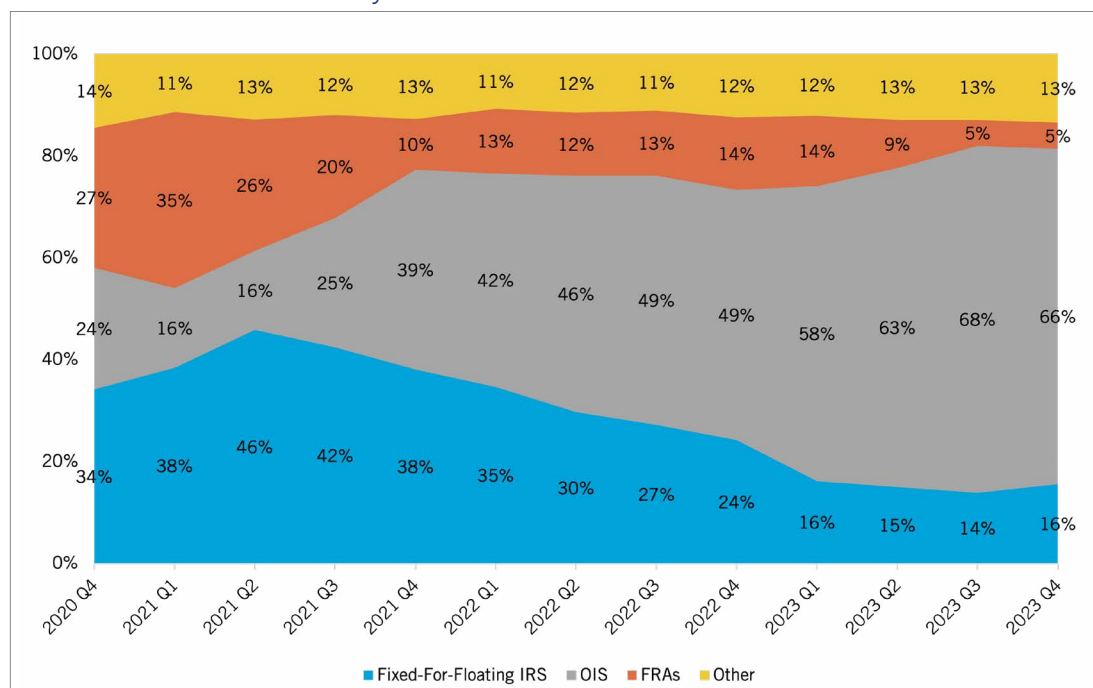
In the full year 2023, IRD traded notional increased by 11.2% to \$324.5 trillion from \$291.9 trillion in 2022. Trade count grew by 10.9% to 2.5 million from 2.3 million over the same period.

⁵ This data only includes IRD transactions reported to the DTCC SDR under CFTC regulations

IRD Product Taxonomy

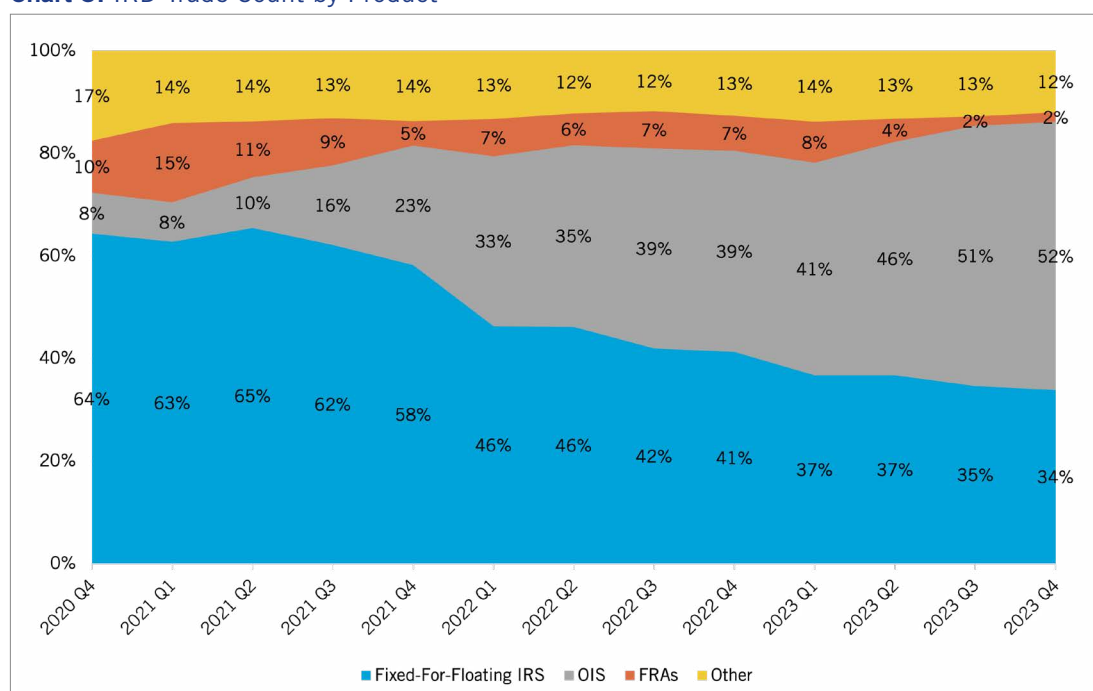
OIS accounted for 65.8% of total IRD traded notional and 52.3% of total trade count in the fourth quarter of 2023. Single currency fixed-for-floating IRS and FRAs represented 15.6% and 5.2% of total IRD traded notional and 33.9% and 1.9% of trade count, respectively (see Chart 2 and Chart 3).

Chart 2: IRD Traded Notional by Product



Source: DTCC SDR

Chart 3: IRD Trade Count by Product



Source: DTCC SDR

OIS traded notional grew by 44.2% to \$47.7 trillion in the fourth quarter of 2023 from \$33.1 trillion in the fourth quarter of 2022. OIS trade count rose by 43.2% to 321.3 thousand from 224.4 thousand over the same period (see Chart 4 and Chart 5).

In the full year 2023, OIS traded notional increased by 51.4% to \$204.6 trillion from \$135.2 trillion in 2022. Trade count grew by 42.6% to 1.2 million from 839.2 thousand.

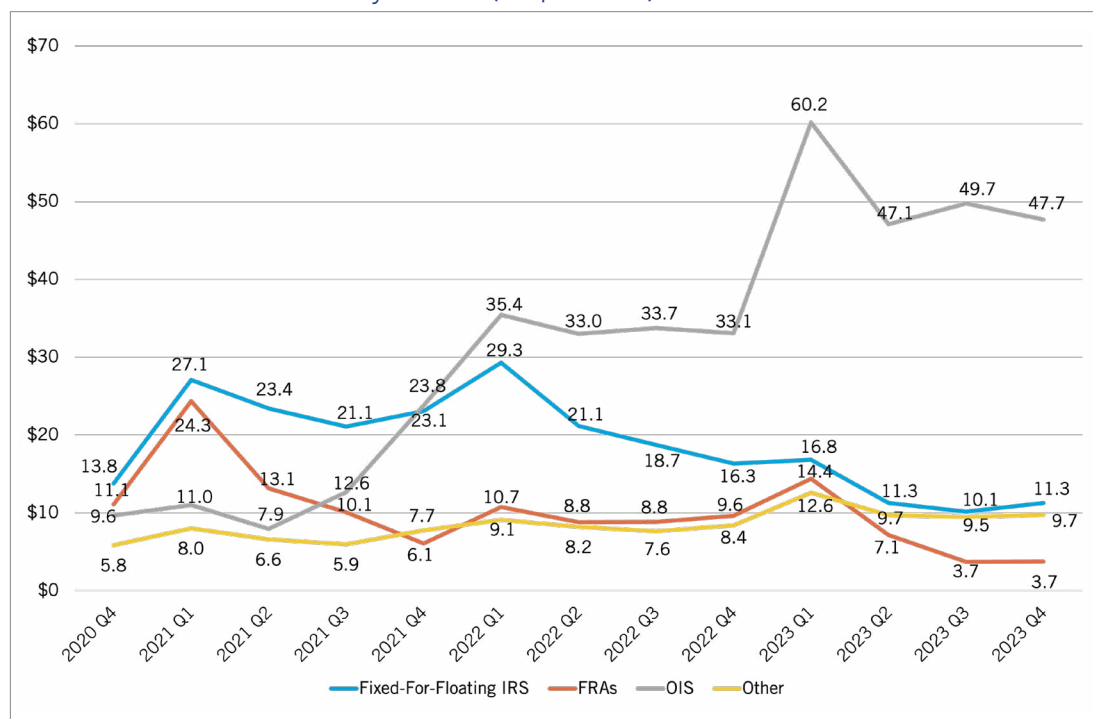
Fixed-for-floating IRS traded notional declined by 30.9% to \$11.3 trillion in the fourth quarter of 2023 from \$16.3 trillion in the fourth quarter of 2022. IRS trade count fell by 11.7% to 208.1 thousand from 235.7 thousand over the same interval.

In the full year 2023, fixed-for-floating IRS traded notional decreased by 42.1% to \$49.5 trillion versus \$85.5 trillion in 2022. Trade count dropped by 10.2% to 901.2 thousand from 1.0 million.

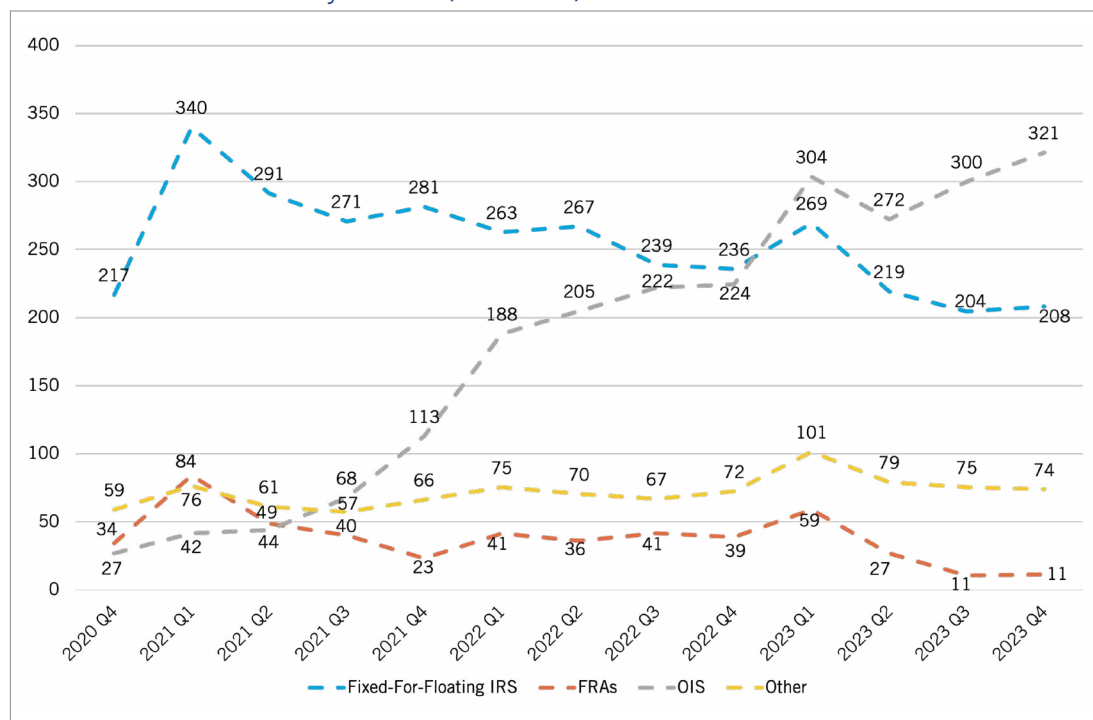
FRA traded notional declined by 61.1% to \$3.7 trillion in the fourth quarter of 2023 from \$9.6 trillion in the fourth quarter of 2022. Trade count fell by 70.6% to 11.4 thousand from 38.8 thousand over the same period.

FRA traded notional declined by 23.7% to \$29.0 trillion over the whole of 2023 from \$38.0 trillion in 2022. Trade count fell by 31.7% to 107.5 thousand from 157.5 thousand.

Chart 4: IRD Traded Notional by Product (US\$ trillions)



Source: DTCC SDR

Chart 5: IRD Trade Count by Product (thousands)

Source: DTCC SDR

IRD Average Daily Traded Notional, Trade Count and Trade Size

Fixed-for-floating IRS average daily traded notional fell to \$173.5 billion in the fourth quarter of 2023, a decrease of 30.9% compared to the fourth quarter of 2022. Fixed-for-floating IRS average daily trade count declined by 11.7%, while average trade size dropped by 17.6% (see Table 1).

FRA average daily traded notional was \$59.3 billion in the fourth quarter of 2023, 60.5% lower than the fourth quarter of 2022. FRA average daily trade count and average trade size fell by 70.1% and 6.7%, respectively.

OIS average daily traded notional grew by 44.2% to \$733.4 billion in the fourth quarter of 2023 compared to \$508.6 billion in the fourth quarter of 2022. OIS average daily trade count and average trade size rose by 43.2% and 0.9%, respectively.

Table 1: IRD Average Daily Traded Notional, Daily Trade Count and Trade Size

	Average Daily Traded Notional (US\$ billions)			Average Daily Trade Count			Average Trade Size (US\$ millions)		
	IRS	FRAs	OIS	IRS	FRAs	OIS	IRS	FRAs	OIS
2023 Q4	173.5	59.3	733.4	3,202	181	4,943	54.3	572.1	148.1
2022 Q4	251.2	150.1	508.6	3,626	606	3,452	65.9	612.9	146.7
2023 Q4 vs. 2022 Q4	-30.9%	-60.5%	44.2%	-11.7%	-70.1%	43.2%	-17.6%	-6.7%	0.9%
Full Year 2023	190.3	112.7	787.1	3,466	418	4,603	54.7	565.6	174.6
Full Year 2022	329.5	147.8	520.1	3,864	613	3,226	79.8	519.1	162.1
Full Year 2023 vs. Full Year 2022	-42.2%	-23.8%	51.3%	-10.3%	-31.7%	42.7%	-31.4%	8.9%	7.7%

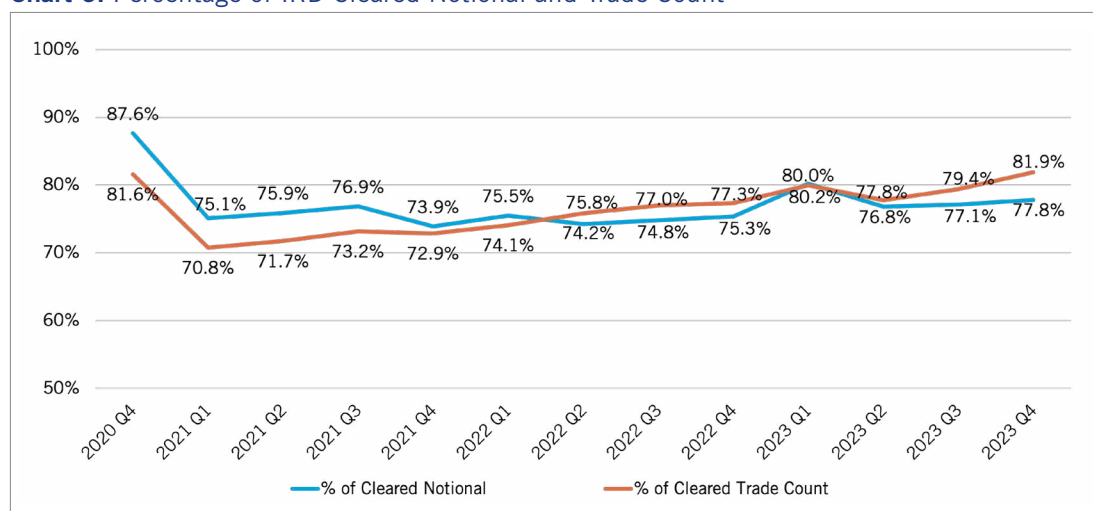
Source: DTCC SDR

IRD Central Clearing

Cleared IRD transactions accounted for 77.8% of total IRD traded notional and 81.9% of trade count during the fourth quarter of 2023 (see Chart 6). IRD cleared traded notional and trade count totaled \$56.4 trillion and 503.3 thousand, respectively.

The DTCC SDR completed a planned system upgrade on November 21, 2020, which changed the reporting logic for the status of cleared trades. Following the upgrade, the percentage of IRD cleared trades appears to be lower compared to historical averages, as firms switched to the new reporting logic.

Chart 6: Percentage of IRD Cleared Notional and Trade Count

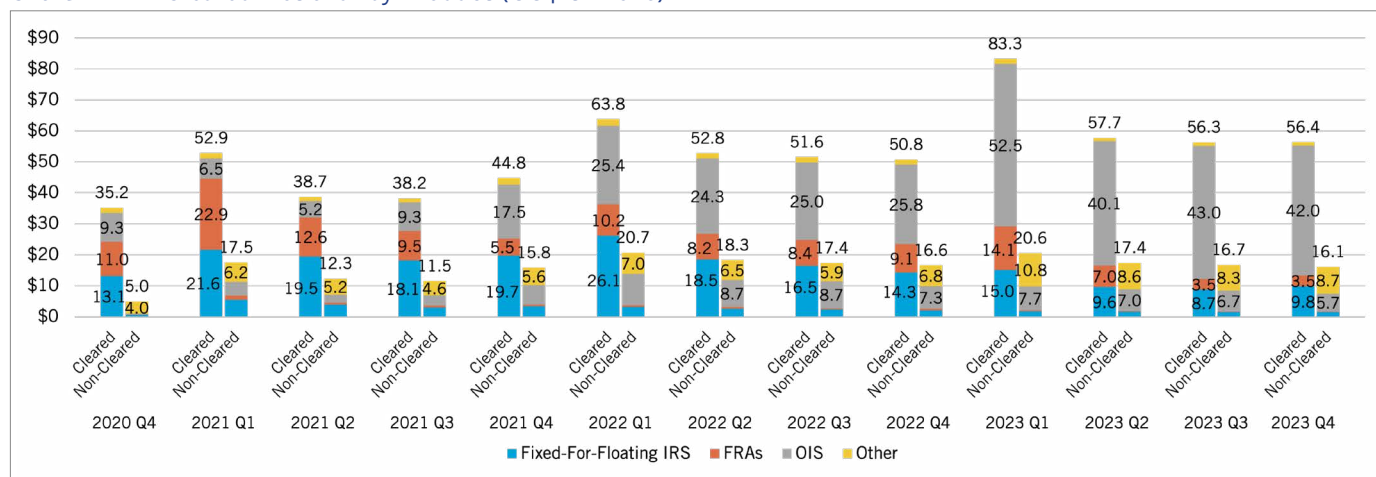


Source: DTCC SDR

In the fourth quarter of 2023, \$9.8 trillion (86.8%) of fixed-for-floating IRS traded notional was cleared and \$1.5 trillion was non-cleared. Cleared FRA and OIS traded notional was \$3.6 trillion (94.9%) and \$42.0 trillion (88.0%), respectively. \$1.1 trillion (10.9%) of other IRD products traded notional was cleared and \$8.7 trillion was non-cleared (see Chart 7).

In the full year 2023, \$43.1 trillion (87.1%) of fixed-for-floating IRS traded notional was cleared and \$6.4 trillion was non-cleared. Traded notional of cleared FRAs and OIS was \$28.1 trillion (97.1%) and \$177.5 trillion (86.8%), respectively. \$5.0 trillion (12.0%) of other IRD products traded notional was cleared and \$36.5 trillion was non-cleared.

Chart 7: IRD Cleared Notional by Product (US\$ trillions)

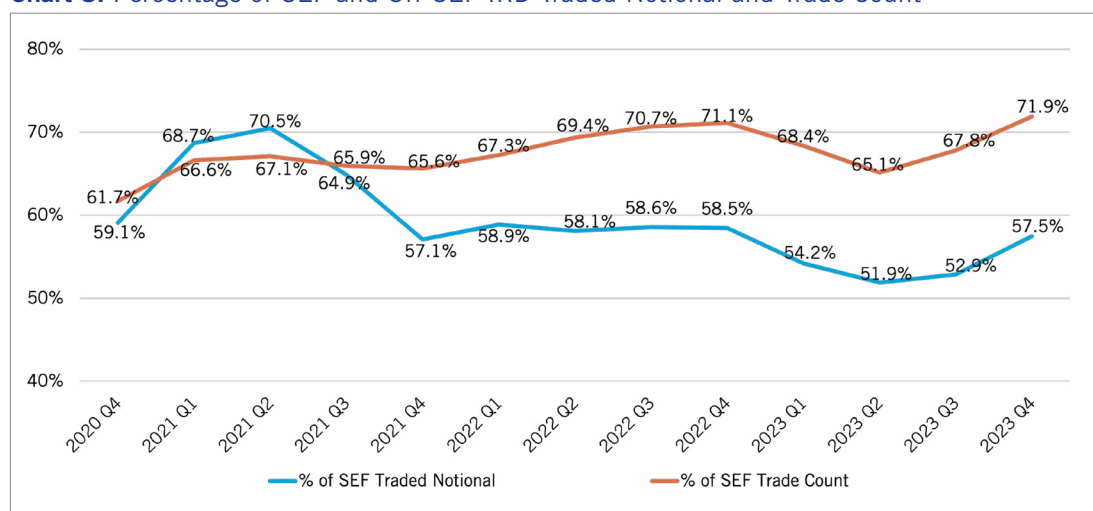


Source: DTCC SDR

IRD Trading Venue

SEF-traded IRD made up 57.5% of total IRD traded notional and 71.9% of trade count in the fourth quarter of 2023 (see Chart 8). Total IRD traded notional executed on SEFs was \$41.6 trillion and \$30.8 trillion occurred off-SEF. In terms of trade count, 441.9 thousand transactions were executed on SEFs and 172.8 thousand took place off-SEF.

Chart 8: Percentage of SEF and Off-SEF IRD Traded Notional and Trade Count

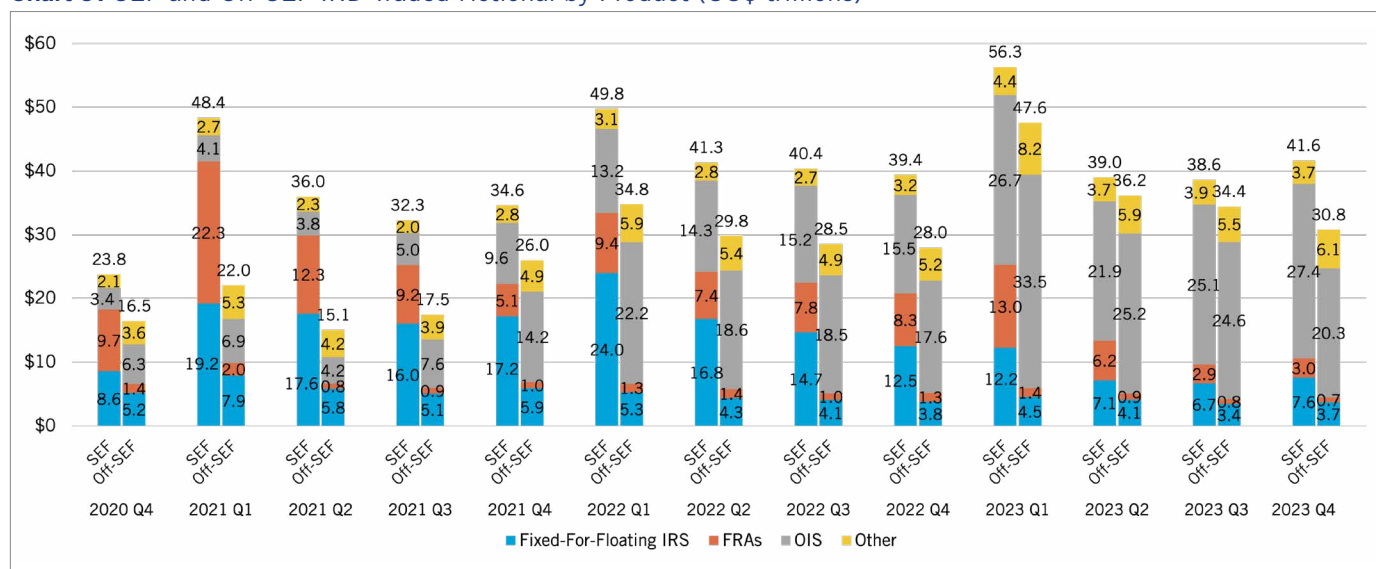


Source: DTCC SDR

In the fourth quarter of 2023, \$7.6 trillion (67.0%) of fixed-for-floating IRS traded notional took place on SEFs and \$3.7 trillion was executed off-SEF. \$3.0 trillion (80.5%) of FRA traded notional occurred on SEFs and \$729.1 billion was traded off-SEF. \$27.4 trillion (57.5%) of OIS traded notional was executed on SEFs and \$20.3 trillion took place off-SEF (see Chart 9).

In the full year 2023, \$33.6 trillion (68.0%) of fixed-for-floating IRS traded notional was executed on SEFs and \$15.8 trillion occurred off-SEF. \$25.2 trillion (86.9%) of FRA traded notional took place on SEFs and \$3.8 trillion was executed off-SEF. \$101.1 trillion (49.4%) of OIS traded notional occurred on SEFs and \$103.6 trillion was traded off-SEF.

Chart 9: SEF and Off-SEF IRD Traded Notional by Product (US\$ trillions)

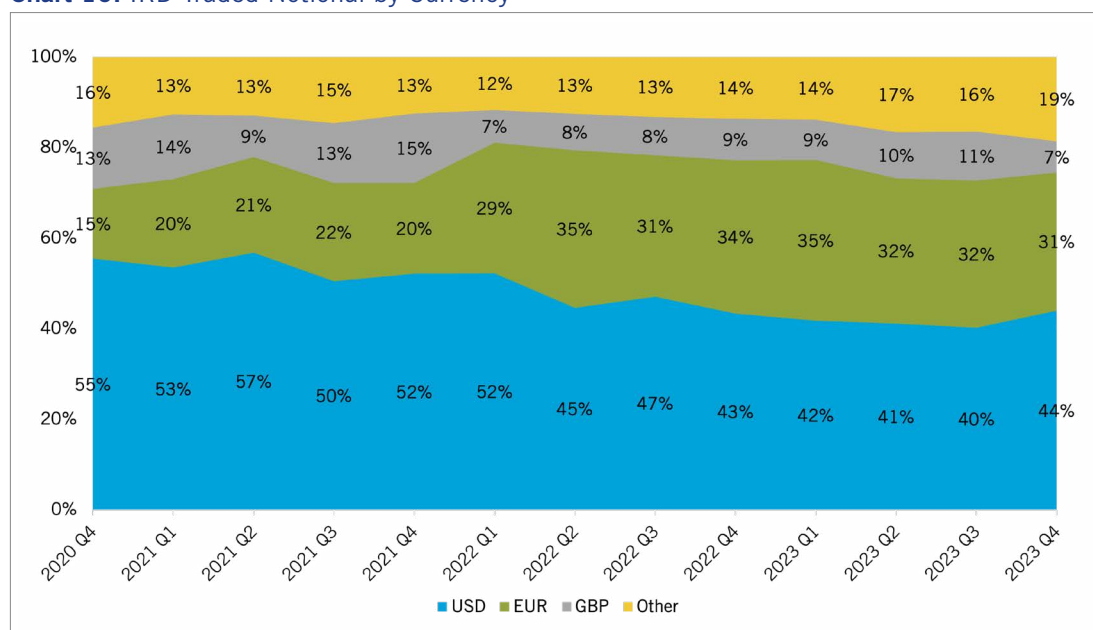


Source: DTCC SDR

IRD by Currency

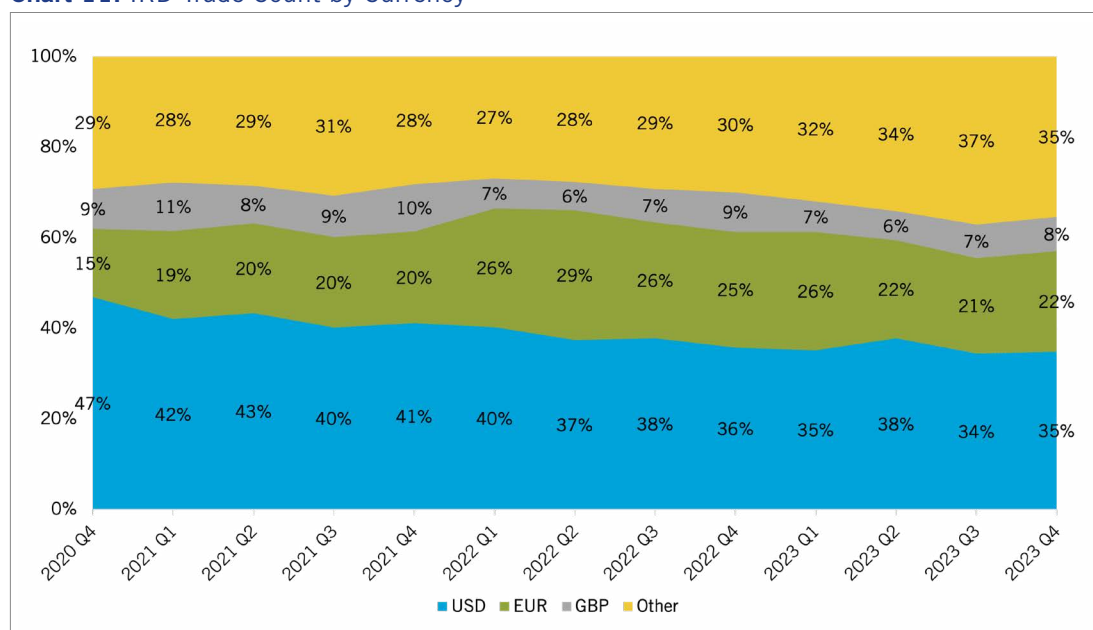
US-dollar-denominated IRD transactions comprised 43.9% of total IRD traded notional and 34.8% of trade count in the fourth quarter of 2023. Euro-denominated IRD accounted for 30.6% of IRD traded notional and 22.2% of trade count. Sterling-denominated transactions made up 6.9% and 7.5% of IRD traded notional and trade count, respectively. Other currencies accounted for 18.6% of IRD traded notional and 35.4% of trade count⁶ (see Chart 10 and Chart 11).

Chart 10: IRD Traded Notional by Currency



Source: DTCC SDR

Chart 11: IRD Trade Count by Currency



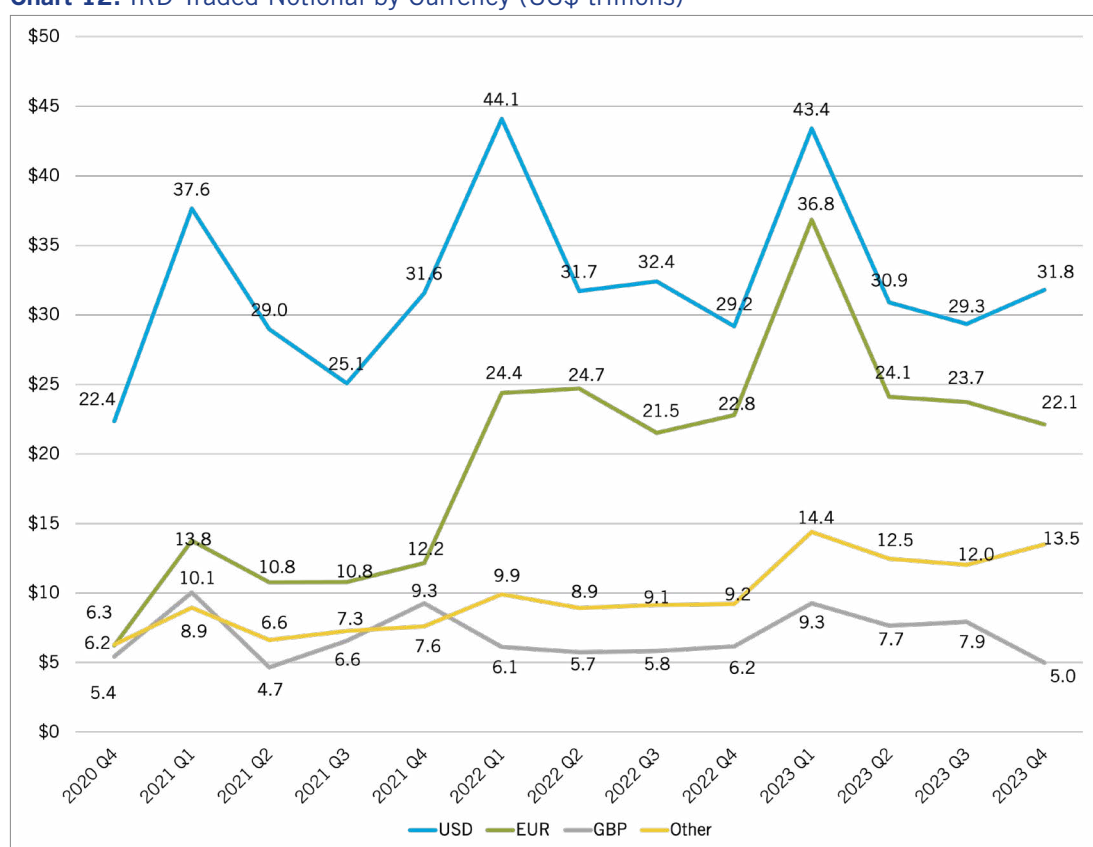
Source: DTCC SDR

⁶ Other currencies include Japanese yen, Australian dollar, Canadian dollar, Mexican peso, New Zealand dollar, South Korean won and 'other'. Cross-currency swaps are also included in other currencies

US-dollar-denominated IRD traded notional rose by 9.0% to \$31.8 trillion in the fourth quarter of 2023 compared to \$29.2 trillion in the fourth quarter of 2022. Euro-denominated traded notional fell by 2.9% to \$22.1 trillion from \$22.8 trillion over the same interval. Sterling-denominated traded notional declined by 19.1% to \$5.0 trillion from \$6.2 trillion (see Chart 12).

In the full year 2023, US-dollar-denominated IRD traded notional fell by 1.4% to \$135.5 trillion from \$137.4 trillion in the full year 2022. Euro-denominated traded notional rose by 14.3% to \$106.8 trillion from \$93.4 trillion. Sterling-denominated traded notional increased by 25.0% to \$29.8 trillion and IRD traded notional in other currencies grew by 40.8% to \$52.4 trillion.

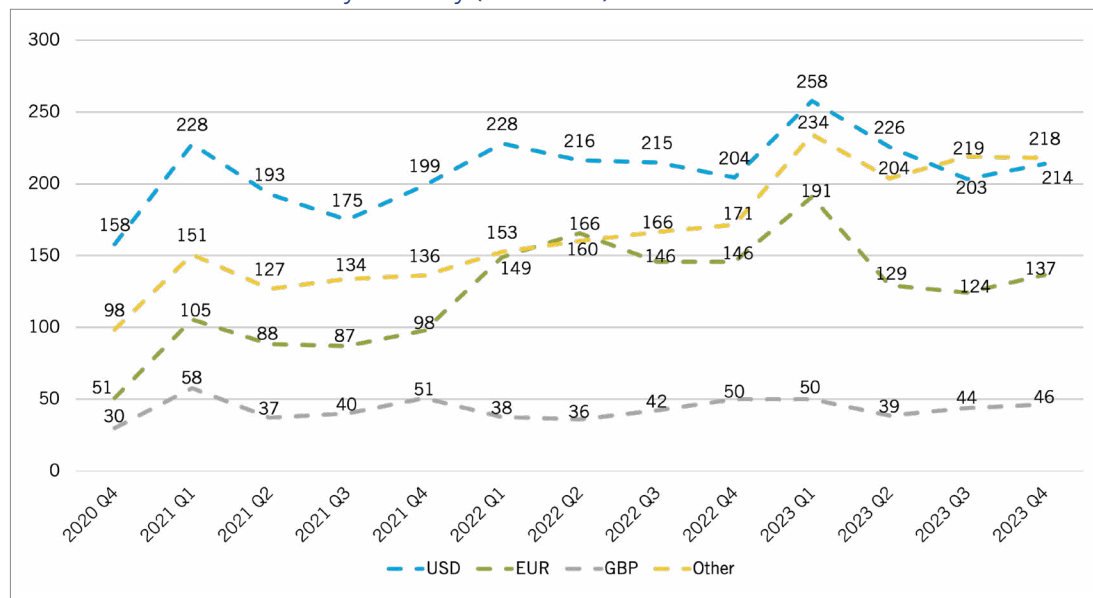
Chart 12: IRD Traded Notional by Currency (US\$ trillions)



Source: DTCC SDR

US-dollar-denominated IRD trade count increased by 4.7% to 214.0 thousand, while euro-denominated transactions fell by 6.2% to 136.6 thousand in the fourth quarter of 2023 versus the fourth quarter of 2022. Sterling-denominated trade count dropped by 7.3% to 46.2 thousand (see Chart 13).

Trade count of US-dollar-denominated IRD increased by 4.3% to 900.7 thousand in the full year 2023 versus 863.8 thousand in 2022. Euro-denominated transactions fell by 4.1% to 581.0 thousand from 605.9 thousand, while sterling-denominated trade count increased by 7.9%.

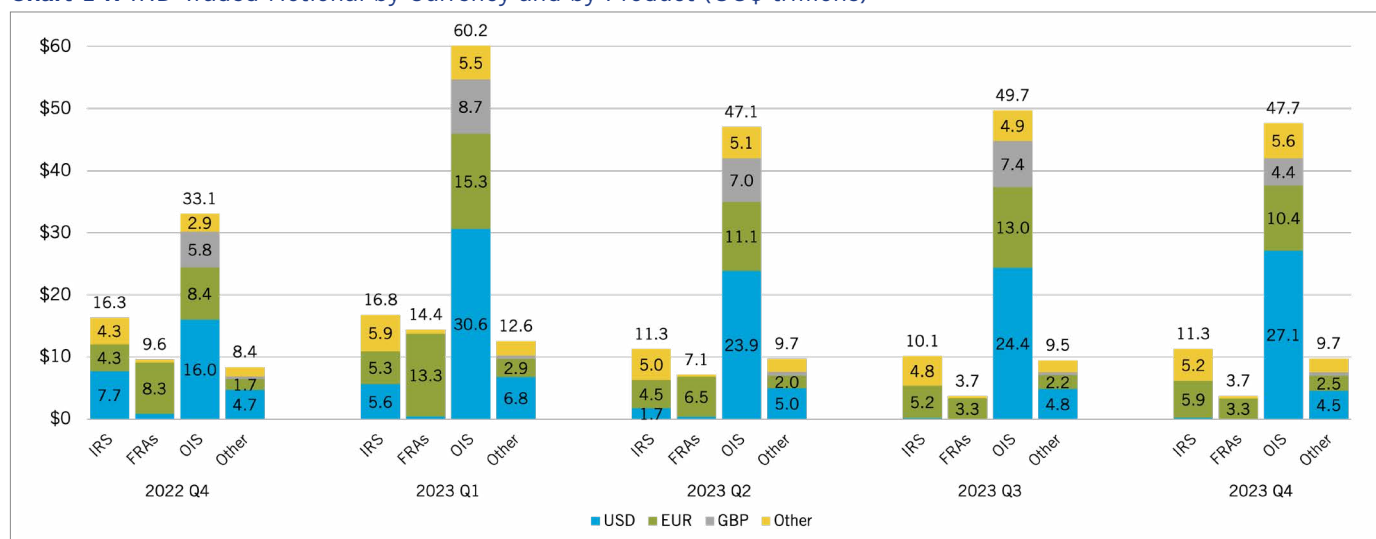
Chart 13: IRD Trade Count by Currency (thousands)


Source: DTCC SDR

US-dollar-denominated OIS traded notional increased by 69.7% to \$27.1 trillion in the fourth quarter of 2023 from \$16.0 trillion in the fourth quarter of 2022. Euro-denominated OIS traded notional rose by 23.6% to \$10.4 trillion from \$8.5 trillion and sterling-denominated OIS traded notional dropped by 22.7% to \$4.5 trillion from \$5.8 trillion (see Chart 14).

US-dollar-denominated fixed-for-floating IRS traded notional fell by 97.6% to \$186.0 billion in the fourth quarter of 2023 versus \$7.7 trillion in the fourth quarter of 2022. Euro-denominated fixed-for-floating IRS traded notional rose by 36.3% to \$5.9 trillion from \$4.3 trillion and sterling-denominated IRS traded notional declined by 13.3% to \$1.9 billion from \$2.2 billion over the same period.

US-dollar-denominated FRA traded notional dropped by nearly 100.0% to \$0.4 billion in the fourth quarter of 2023 from \$806.7 billion in the fourth quarter of 2022, while euro-denominated FRA traded notional fell by 60.2% to \$3.3 trillion from \$8.3 trillion. There were no sterling-denominated FRAs in the fourth quarter of 2023.

Chart 14: IRD Traded Notional by Currency and by Product (US\$ trillions)


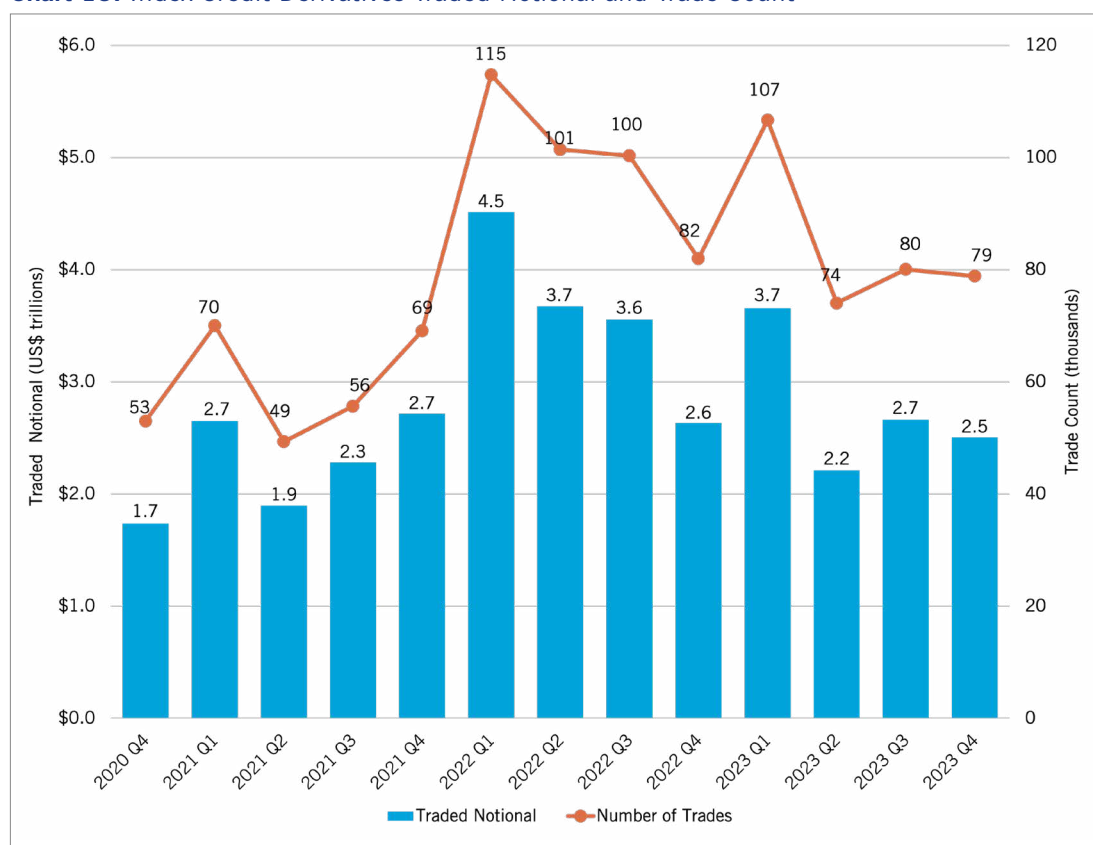
Source: DTCC SDR

INDEX CREDIT DERIVATIVES REPORTED UNDER CFTC REGULATIONS

Index credit derivatives traded notional fell by 4.9% to \$2.5 trillion in the fourth quarter of 2023 from \$2.6 trillion in the fourth quarter of 2022⁷. The number of trades dropped by 3.8% to 78.8 thousand from 81.9 thousand over the same period (see Chart 15).

In the full year 2023, index credit derivatives traded notional declined by 23.2% to \$11.0 trillion from \$14.4 trillion in 2022. Trade count fell by 14.8% to 339.6 thousand from 398.4 thousand over the same period.

Chart 15: Index Credit Derivatives Traded Notional and Trade Count



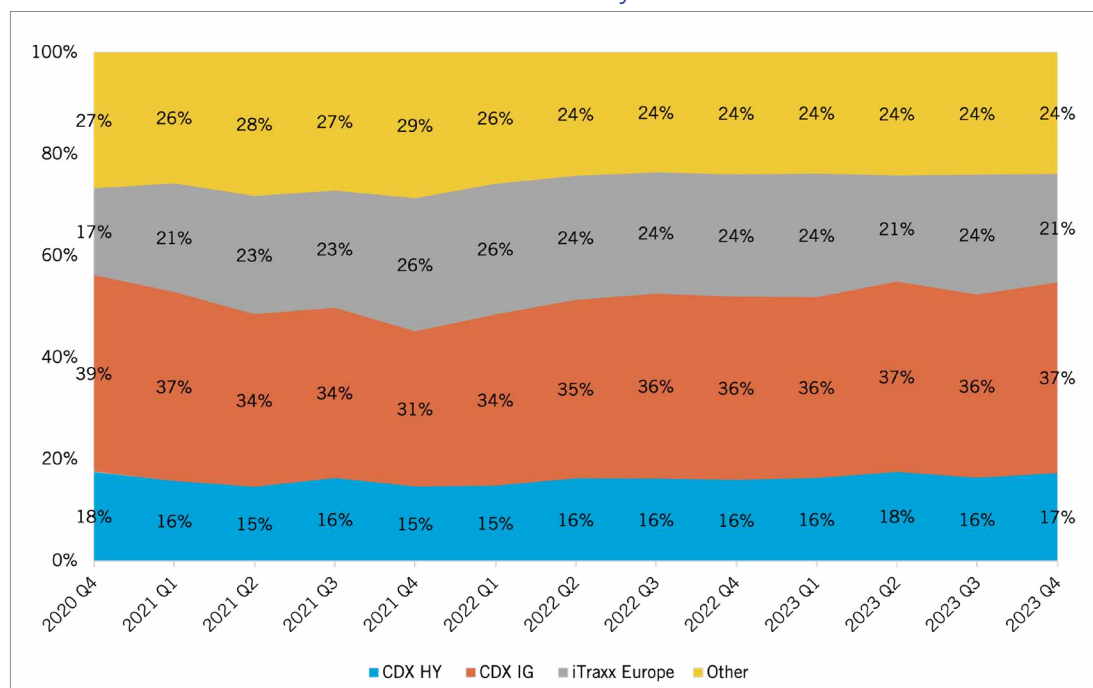
Source: DTCC SDR

⁷ Index credit derivatives mostly comprise CDS indices, but also include CDS index tranches, credit swaptions, exotic products, total return swaps and insignificant amount of single-name CDS. This data only includes transactions reported to the DTCC SDR under CFTC regulations. Credit derivatives reported to the DTCC SBSDR under SEC regulations are not included in this data

Index Credit Derivatives Product Taxonomy

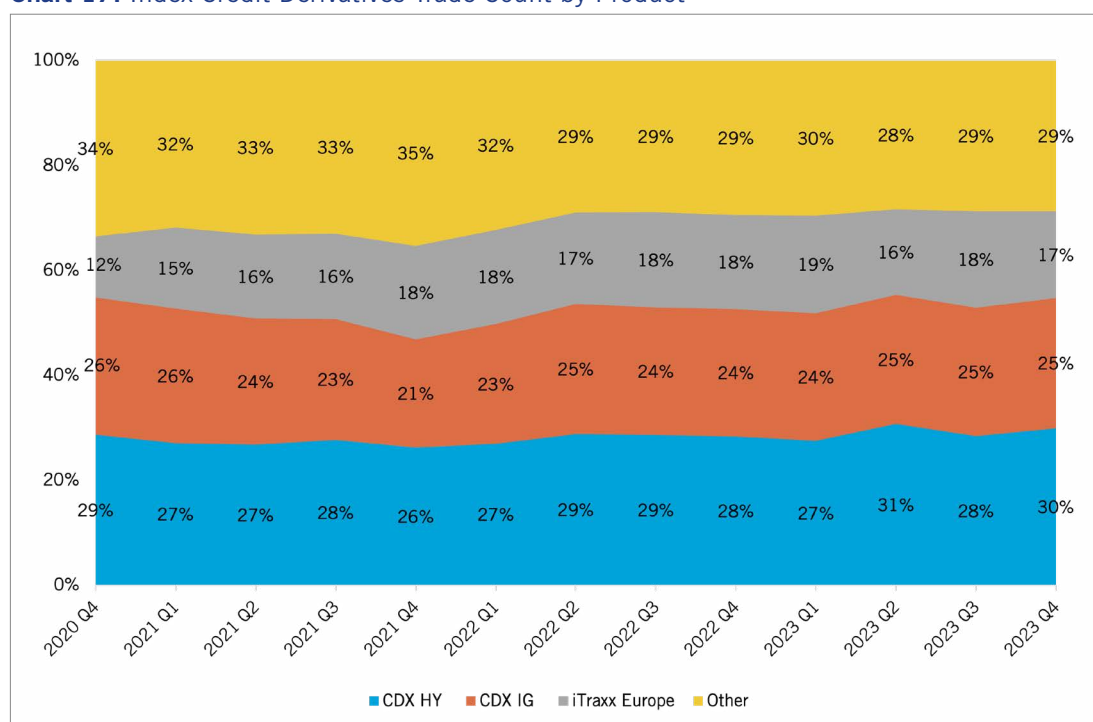
In the fourth quarter of 2023, CDX HY and CDX IG represented 17.3% and 37.4% of total index credit derivatives traded notional and 29.9% and 24.8% of total trade count, respectively. iTraxx Europe accounted for 21.4% of traded notional and 16.5% of trade count (see Chart 16 and Chart 17).

Chart 16: Index Credit Derivatives Traded Notional by Product



Source: DTCC SDR

Chart 17: Index Credit Derivatives Trade Count by Product



Source: DTCC SDR

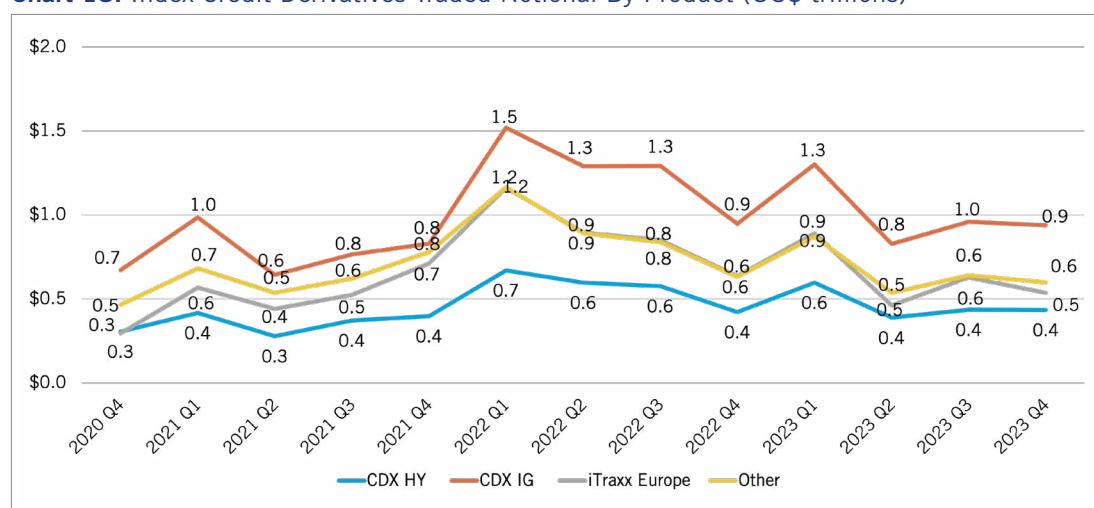
CDX HY traded notional increased by 3.0%, while CDX IG traded notional fell by 1.0% in the fourth quarter of 2023 compared to the fourth quarter of 2022. CDX HY traded notional rose to \$433.2 billion from \$420.6 billion and CDX IG traded notional declined to \$937.5 billion from \$947.0 billion. CDX HY trade count grew by 1.5% to 23.6 thousand from 23.2 thousand and CDX IG trade count fell by 1.6% to 19.6 thousand from 19.9 thousand over the same period (see Chart 18 and Chart 19).

iTraxx Europe traded notional fell by 15.6% to \$535.3 billion in the fourth quarter of 2023 from \$634.0 billion in the fourth quarter of 2022. Trade count dropped by 11.2% to 13.1 thousand from 14.7 thousand over the same period.

In the full year 2023, CDX HY traded notional declined by 18.1% to \$1.9 trillion from \$2.3 trillion in 2022. CDX IG traded notional fell by 20.3% to \$4.0 trillion from \$5.1 trillion over the same period. Trade count for CDX HY and CDX IG dropped by 12.2% to 98.3 thousand and by 12.8% to 83.4 thousand, respectively.

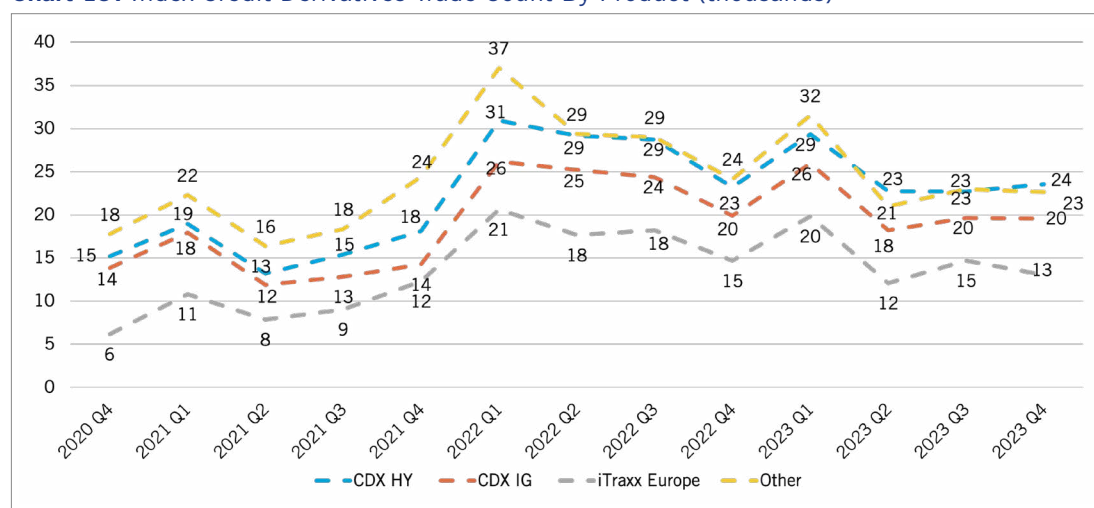
iTraxx Europe traded notional declined by 29.0% to \$2.5 trillion in the full year 2023 compared to \$3.5 trillion in 2022. Trade count fell by 16.2% to 59.7 thousand.

Chart 18: Index Credit Derivatives Traded Notional By Product (US\$ trillions)



Source: DTCC SDR

Chart 19: Index Credit Derivatives Trade Count By Product (thousands)



Source: DTCC SDR

Index Credit Derivatives Average Daily Traded Notional, Trade Count and Trade Size

Average daily traded notional of CDX HY increased by 3.0% to \$6.9 billion and CDX IG fell by 1.0% to \$14.9 billion in the fourth quarter of 2023 versus the fourth quarter of 2022. Average daily trade count of CDX HY rose by 1.5% to 374, while CDX IG dropped by 1.6% to 311. Average trade size of CDX HY increased to \$18.1 million, while CDX IG declined to \$47.0 million (see Table 2).

iTraxx Europe average daily traded notional fell by 14.2% to \$8.5 billion and average daily trade count dropped by 9.8% to 207. iTraxx Europe average trade size declined by 3.4% to \$40.7 million in the fourth quarter of 2023 compared to \$42.1 million in the fourth quarter of 2022.

Table 2: Index Credit Derivatives Average Daily Traded Notional, Daily Trade Count and Trade Size

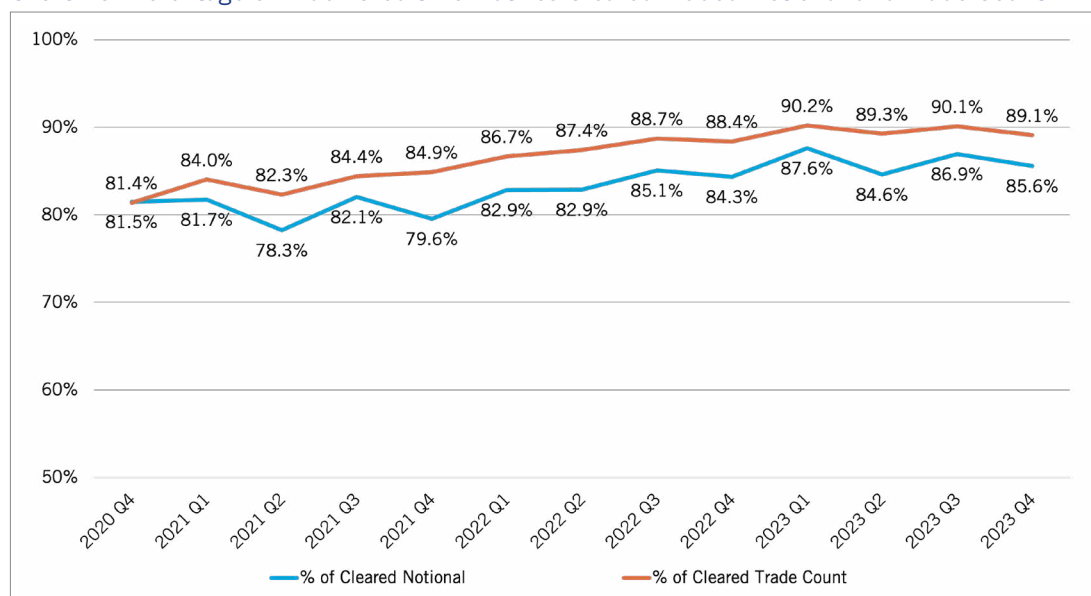
	Average Daily Traded Notional (US\$ billions)			Average Daily Trade Count			Average Trade Size (US\$ millions)		
	CDX HY	CDX IG	iTraxx Europe	CDX HY	CDX IG	iTraxx Europe	CDX HY	CDX IG	iTraxx Europe
2023 Q4	6.9	14.9	8.5	374	311	207	18.1	47.0	40.7
2022 Q4	6.7	15.0	9.9	368	316	230	17.2	47.3	42.1
2023 Q4 vs. 2022 Q4	3.0%	-1.0%	-14.2%	1.5%	-1.6%	-9.8%	5.1%	-0.5%	-3.4%
Full Year 2023	7.4	16.0	10.0	392	333	237	17.8	46.7	40.6
Full Year 2022	9.0	20.1	14.1	447	381	284	19.2	51.6	48.3
Full Year 2023 vs. Full Year 2022	-18.1%	-20.3%	-29.4%	-12.2%	-12.8%	-16.5%	-7.6%	-9.5%	-16.0%

Source: DTCC SDR

Index Credit Derivatives Central Clearing

Cleared index credit derivatives transactions represented 85.6% of total index credit derivatives traded notional and 89.1% of trade count in the fourth quarter of 2023 (see Chart 20), totaling \$2.1 trillion and 70.2 thousand, respectively.

Chart 20: Percentage of Index Credit Derivatives Cleared Traded Notional and Trade Count



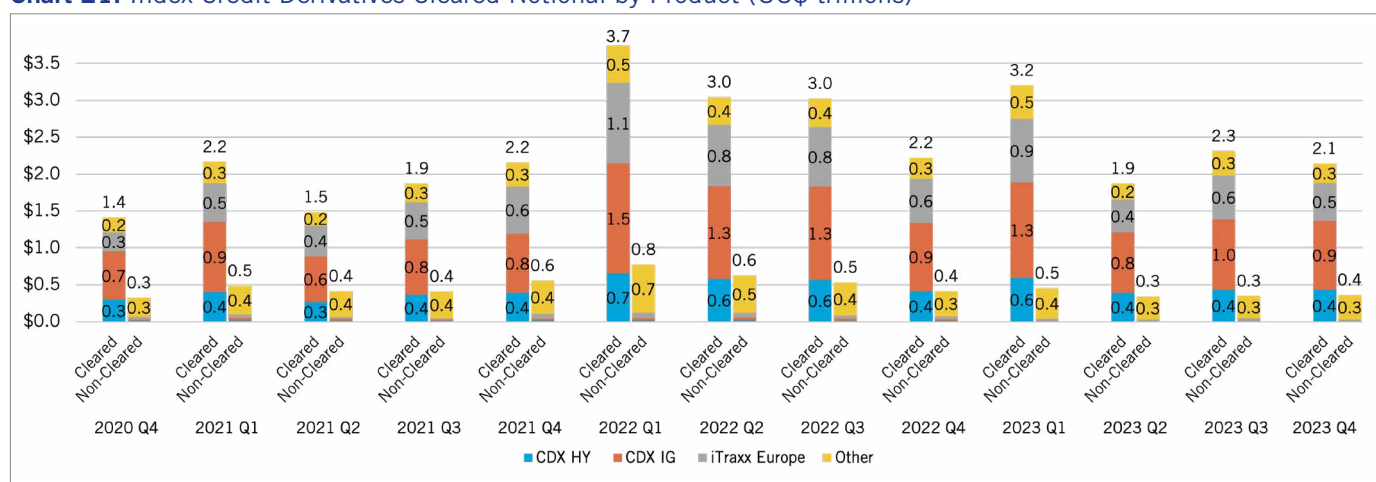
Source: DTCC SDR

In the fourth quarter of 2023, \$431.0 billion (99.5%) of CDX HY and \$932.9 billion (99.5%) of CDX IG traded notional was cleared, while \$2.2 billion and \$4.5 billion, respectively, was non-cleared (see Chart 21).

iTraxx Europe cleared traded notional was \$514.5 billion (96.1%) in the fourth quarter of 2023, while non-cleared traded notional was \$20.8 billion. \$263.8 billion (44.2%) of other index credit derivatives traded notional was cleared and \$333.7 billion was non-cleared.

In the full year 2023, \$1.8 trillion (99.4%) of CDX HY, \$4.0 trillion (99.4%) of CDX IG and \$2.4 trillion (96.3%) of iTraxx Europe traded notional was cleared. \$1.3 trillion (48.1%) of other index credit derivatives traded notional was cleared and \$1.4 trillion was non-cleared.

Chart 21: Index Credit Derivatives Cleared Notional by Product (US\$ trillions)

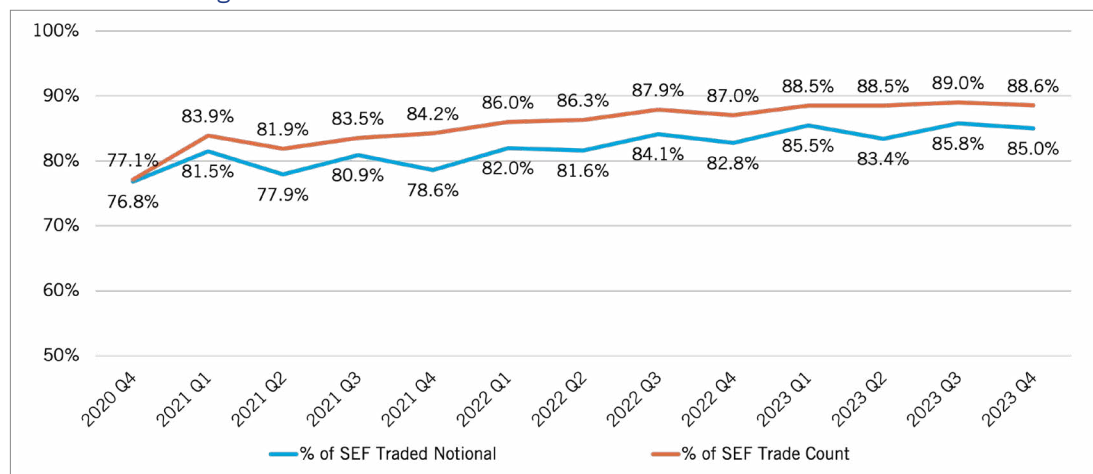


Source: DTCC SDR

Index Credit Derivatives Trading Venue

SEF-traded index credit derivatives made up 85.0% of total index credit derivatives traded notional and 88.6% of trade count in the fourth quarter of 2023 (see Chart 22). Total credit derivatives traded notional executed on SEFs was \$2.1 trillion and \$375.7 billion occurred off-SEF. 69.8 thousand transactions took place on SEFs and 9.0 thousand transactions were traded off-SEF.

Chart 22: Percentage of SEF and Off-SEF Index Credit Derivatives Traded Notional and Trade Count



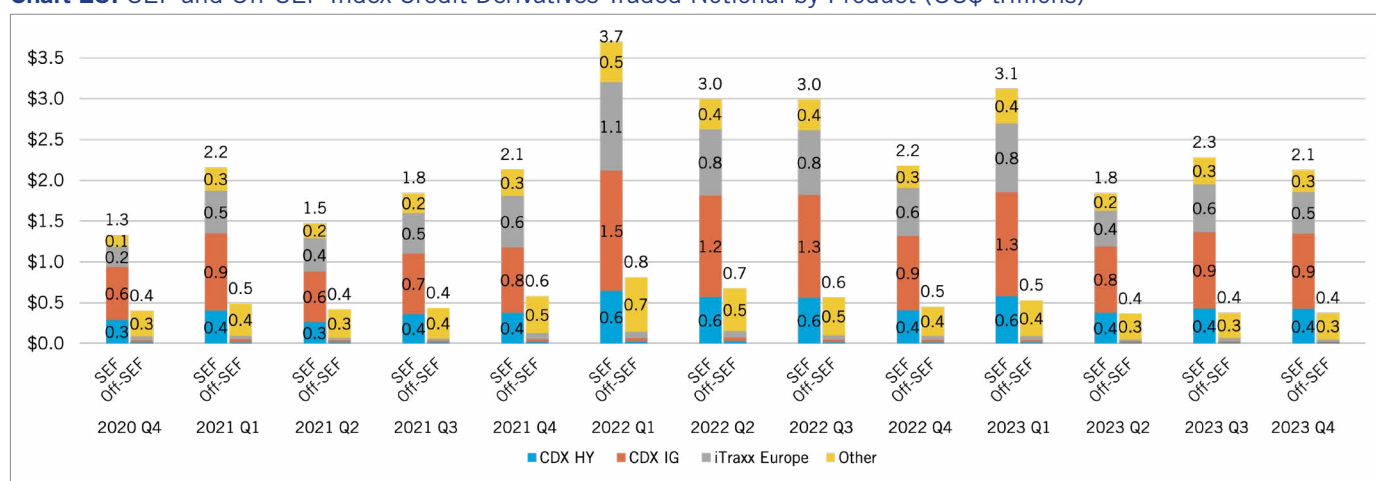
Source: DTCC SDR

In the fourth quarter of 2023, \$422.7 billion (97.6%) of CDX HY and \$923.1 billion (98.5%) of CDX IG traded notional occurred on SEFs and \$10.5 billion and \$14.4 billion, respectively, took place off-SEF (see Chart 23).

\$511.4 billion (95.5%) of iTraxx Europe traded notional was executed on SEFs and \$23.9 billion occurred off-SEF. \$270.5 billion (45.3%) of traded notional for other index credit derivatives was executed on SEFs and \$327.0 billion was traded off-SEF.

In the full year 2023, \$1.8 trillion (97.6%) of CDX HY, \$4.0 trillion (98.1%) of CDX IG and \$2.4 trillion (94.5%) of iTraxx Europe traded notional occurred on SEFs. \$1.3 trillion (47.2%) of other index credit derivatives traded notional was executed on SEFs and \$1.4 trillion took place off-SEF.

Chart 23: SEF and Off-SEF Index Credit Derivatives Traded Notional by Product (US\$ trillions)

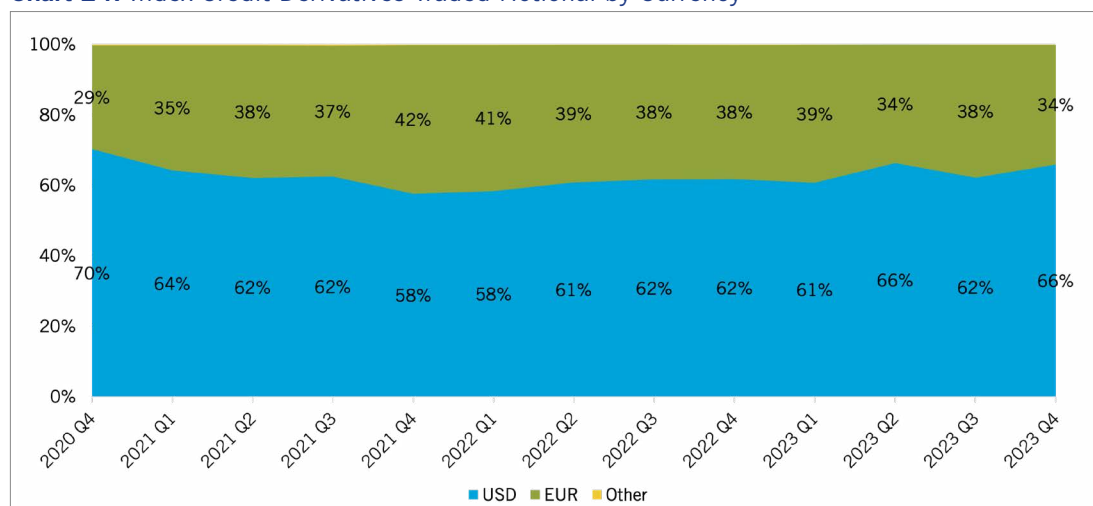


Source: DTCC SDR

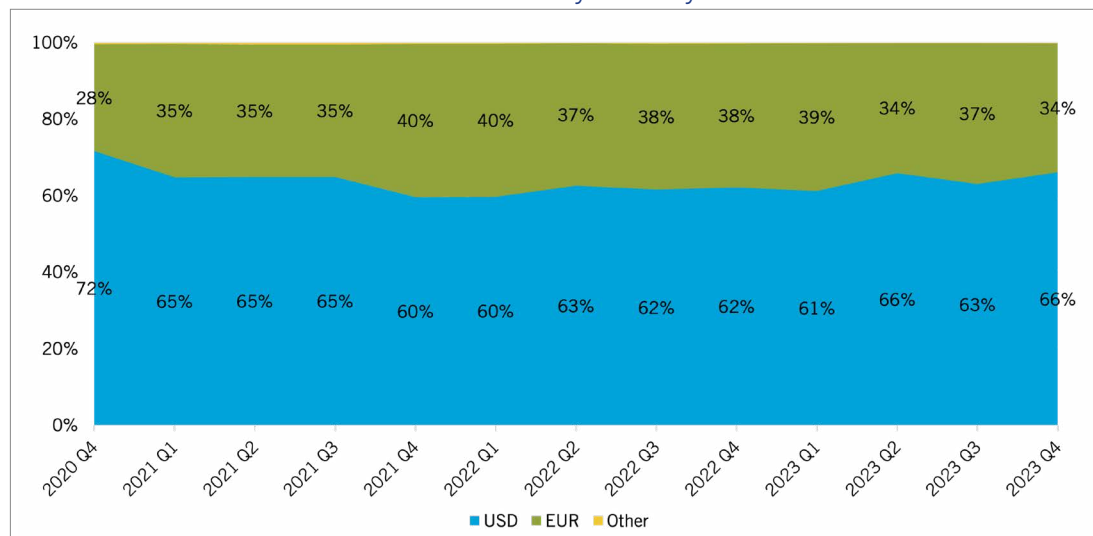
Index Credit Derivatives by Currency

Index credit derivatives contracts denominated in US dollars comprised 65.9% and 66.1% of traded notional and trade count, respectively, in the fourth quarter of 2023. Euro-denominated transactions accounted for 34.0% and 33.7% of traded notional and trade count (see Chart 24 and Chart 25).

Chart 24: Index Credit Derivatives Traded Notional by Currency



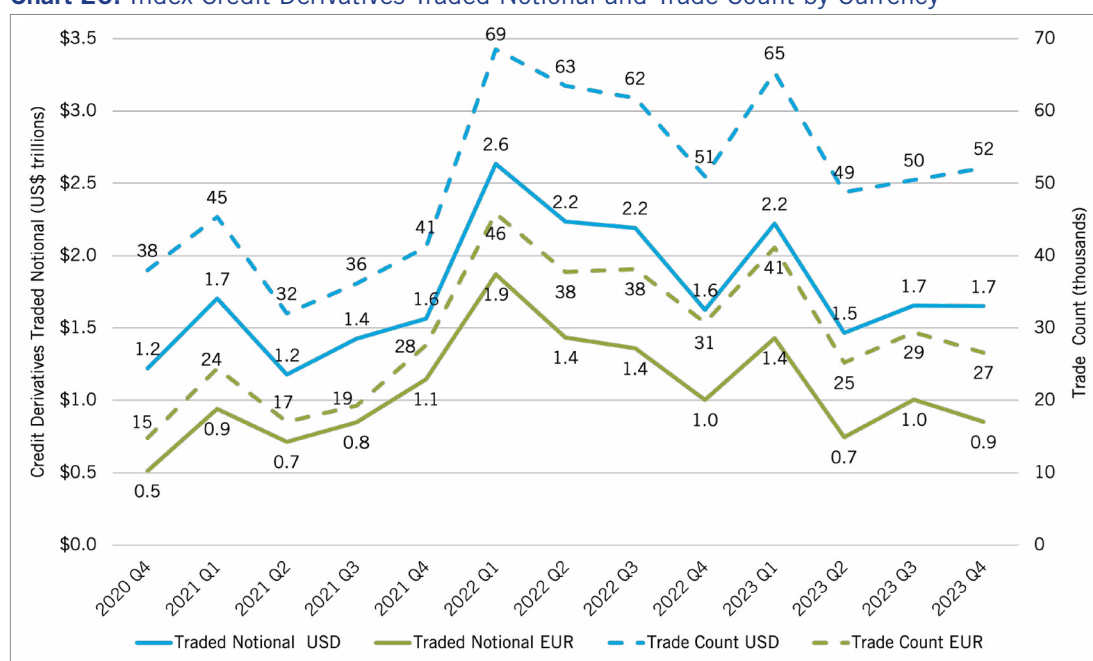
Source: DTCC SDR

Chart 25: Index Credit Derivatives Trade Count by Currency


Source: DTCC SDR

US-dollar-denominated index credit derivatives traded notional increased by 1.6% to \$1.7 trillion in the fourth quarter of 2023 compared to \$1.6 trillion in the fourth quarter of 2022. Euro-denominated traded notional fell by 15.2% to \$850.7 billion in the fourth quarter of 2023 compared to \$1.0 trillion in the fourth quarter of 2022. Trade count rose by 2.3% for US-dollar-denominated index credit derivatives and dropped by 13.6% for euro-denominated trades (see Chart 26).

In the full year 2023, US-dollar-denominated index credit derivatives traded notional fell by 19.5% to \$7.0 trillion from \$8.7 trillion in 2022. Euro-denominated traded notional declined by 28.9% to \$4.0 trillion over the same period. US-dollar- and euro-denominated trade count dropped by 11.5% and 19.8% to 216.7 thousand and 122.3 thousand, respectively.

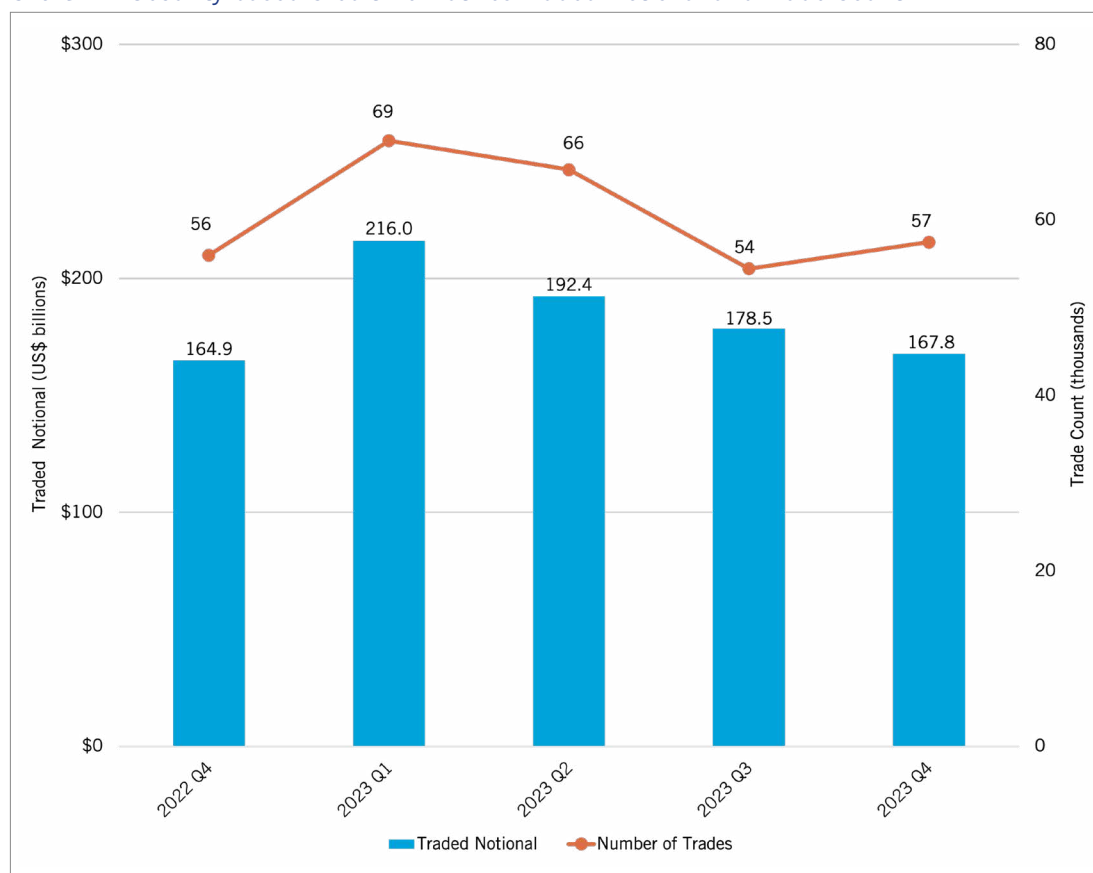
Chart 26: Index Credit Derivatives Traded Notional and Trade Count by Currency


Source: DTCC SDR

SECURITY-BASED CREDIT DERIVATIVES REPORTED UNDER SEC REGULATIONS

Security-based credit derivatives traded notional increased by 1.8% to \$167.8 billion in the fourth quarter of 2023 from \$164.9 billion in the fourth quarter of 2022. Trade count rose by 2.7% to 57.5 thousand from 56.0 thousand over the same period^{8,9} (see Chart 27).

Chart 27: Security-based Credit Derivatives Traded Notional and Trade Count¹⁰



Source: DTCC and ICE Trade Vault SBSDRs

⁸ Security-based credit derivatives mostly comprise single-name CDS, but also include total return swaps, index, exotic, index tranche, swaptions and other single-name swaps (eg, asset-backed, loan and municipal security-based swaps)

⁹ This data includes security-based credit derivatives transactions reported to the DTCC SBSDR and ICE Trade Vault from February 2022 under SEC regulations. It does not include any transactions that are required to be reported to the DTCC SDR under CFTC regulations

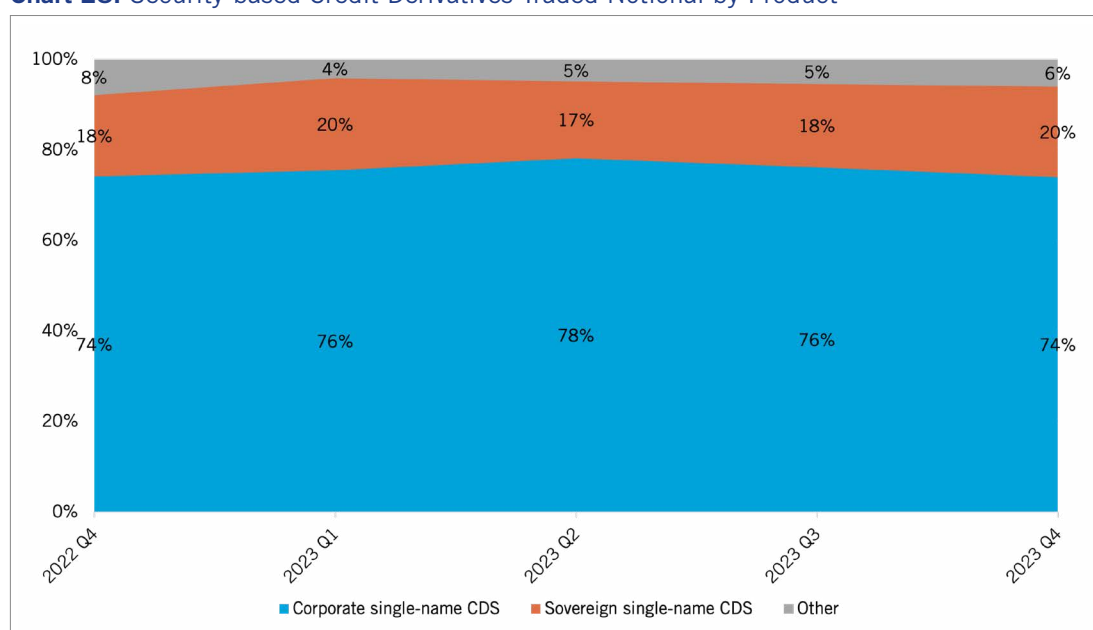
¹⁰ Historical data has been updated to include ICE Trade Vault data. Previously published reports only include data reported to the DTCC SBSDR

Security-based Credit Derivatives Product Taxonomy

Corporate single-name CDS traded notional accounted for 74.0% of total security-based credit derivatives traded notional, while sovereign single-name CDS represented 20.0%. Corporate and sovereign single-name CDS made up 77.2% and 14.9% of total trade count, respectively, in the fourth quarter of 2023 (see Chart 28 and Chart 29).

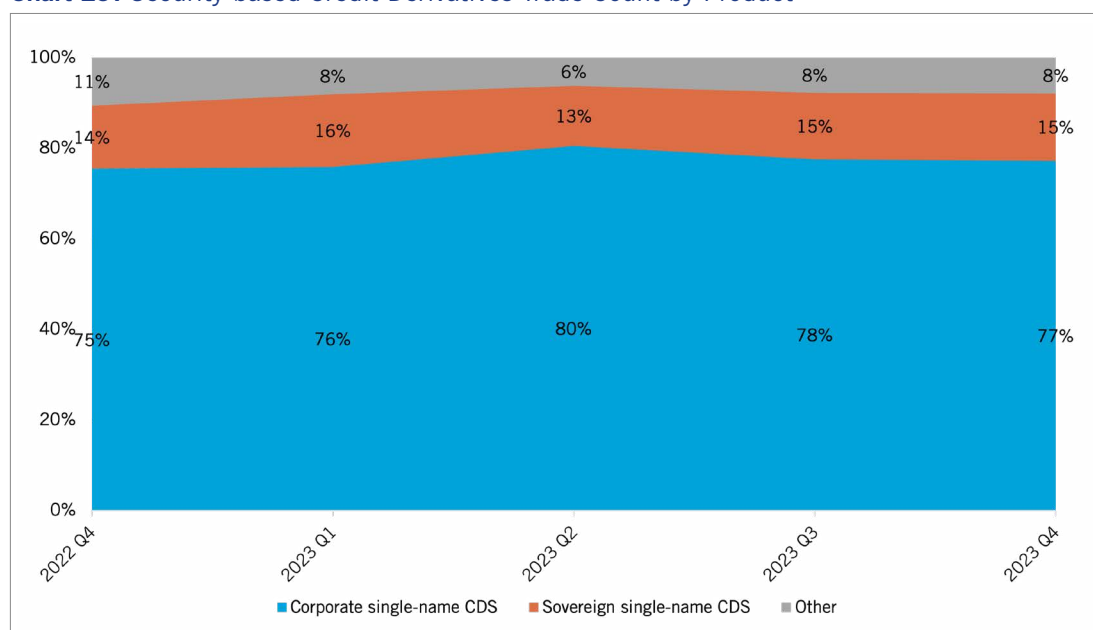
Other security-based credit derivatives, including total return swaps, index, exotic, index tranche, swaptions and other single-name swaps (eg, asset-backed, loan and municipal security-based swaps) totaled 6.0% of total security-based credit derivatives traded notional and 7.9% of total trade count in the fourth quarter of 2023.

Chart 28: Security-based Credit Derivatives Traded Notional by Product



Source: DTCC and ICE Trade Vault SBSDRs

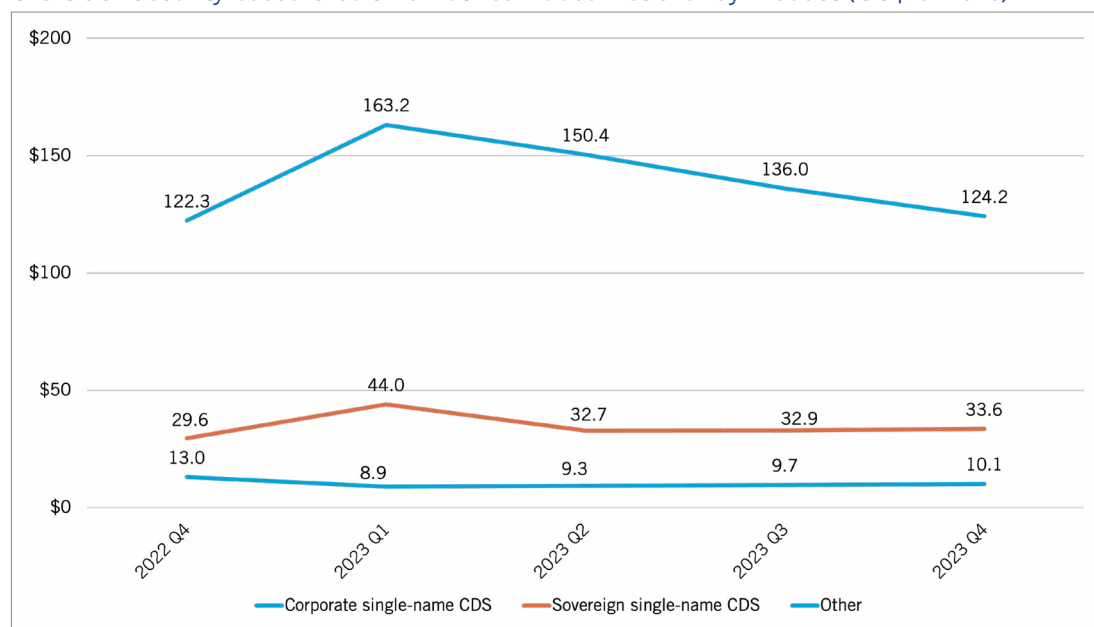
Chart 29: Security-based Credit Derivatives Trade Count by Product



Source: DTCC and ICE Trade Vault SBSDRs

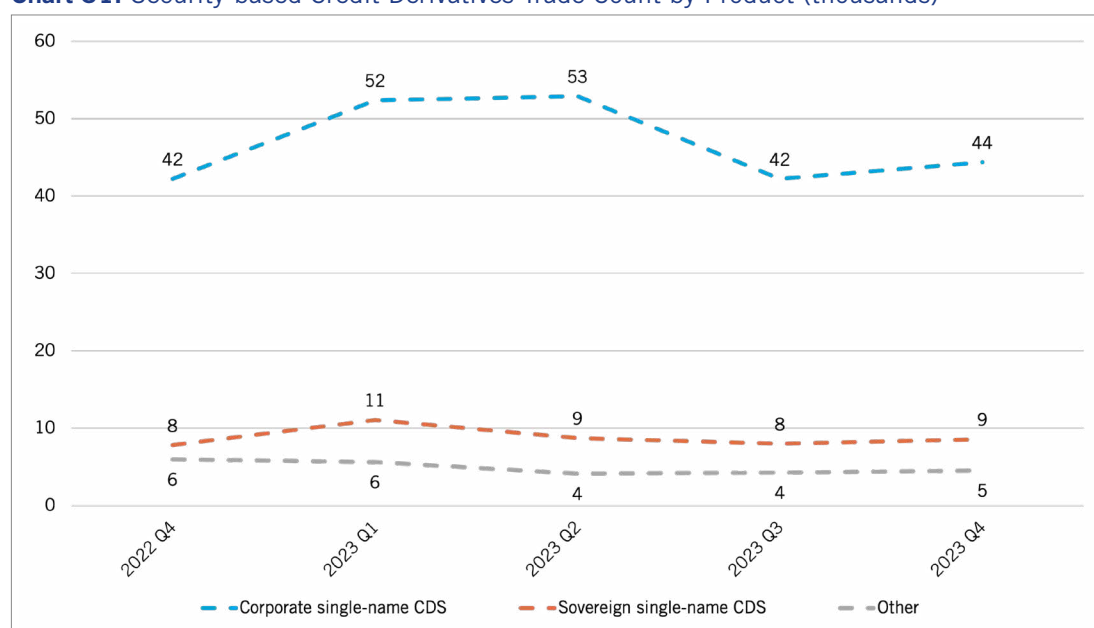
Corporate single-name CDS traded notional rose by 1.5% to \$124.2 billion in the fourth quarter of 2023 from \$122.3 billion in the fourth quarter of 2022, while trade count grew by 5.1% to 44.4 thousand from 42.2 thousand. Sovereign single-name CDS traded notional increased by 13.5% to \$33.6 billion from \$29.6 billion and trade count rose by 9.9% to 8.6 thousand from 7.8 thousand (see Chart 30 and Chart 31).

Chart 30: Security-based Credit Derivatives Traded Notional by Product (US\$ billions)



Source: DTCC and ICE Trade Vault SBSDRs

Chart 31: Security-based Credit Derivatives Trade Count by Product (thousands)

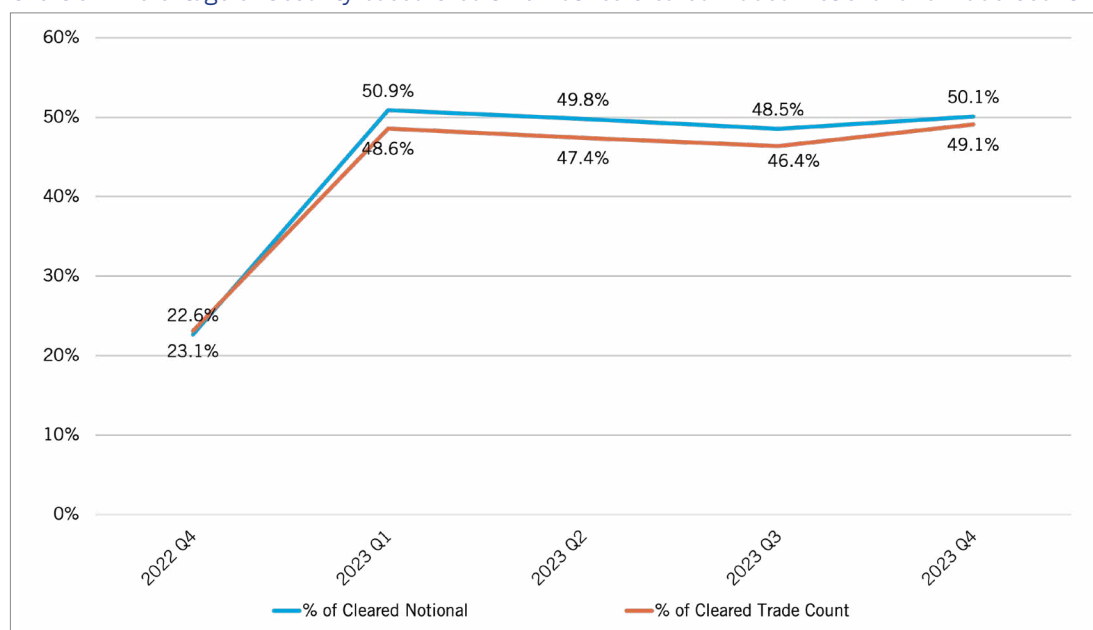


Source: DTCC and ICE Trade Vault SBSDRs

Security-based Credit Derivatives Central Clearing

Cleared security-based credit derivatives transactions accounted for 50.1% of total security-based credit derivatives traded notional and 49.1% of total trade count in the fourth quarter of 2023 (see Chart 32). 54.5% of corporate single-name CDS and 48.4% of sovereign single-name CDS traded notional was cleared¹¹.

Chart 32: Percentage of Security-based Credit Derivatives Cleared Traded Notional and Trade Count¹²



Source: DTCC and ICE Trade Vault SBSDRs

¹¹ Cleared includes transactions that have been cleared or are planned to be submitted to clearing

¹² The percentage of cleared transactions increased significantly in the first quarter of 2023 due to the change in reporting logic. Prior to December 2022, only 'Yes' or 'No' was expected to be reported for the cleared status. Following the change, 'Intent to clear' is also expected to be reported for transactions that are planned to be submitted to clearing



ISDA has published other recent research papers:

- ***ISDA-Clarus RFR Adoption Indicator: Q4 2023 vs. Q4 2022***

www.isda.org/a/m3lgE/ISDA-Clarus-RFR-Adoption-Indicator-Quarterly-Summary.pdf

- ***Interest Rate Derivatives Trading Activity Reported in EU, UK and US Markets: Third Quarter of 2023 and Year-to-September 30, 2023***

www.isda.org/a/pyhgE/Interest-Rate-Derivatives-Trading-Activity-Reported-in-EU-UK-and-US-Markets-Third-Quarter-of-2023-and-Year-to-September-30-2023.pdf

- ***Key Trends in the Size and Composition of OTC Derivatives Markets in the First Half of 2023***

www.isda.org/a/5ihgE/Key-Trends-in-the-Size-and-Composition-of-OTC-Derivatives-Markets-in-the-First-Half-of-2023.pdf

ISDA has launched a new SwapsInfo page that shows weekly traded notional and trade count for credit derivatives reported under SEC regulations. This data includes security-based credit derivatives transactions reported to the DTCC SBSDR and ICE Trade Vault beginning February 2022. It does not include any transactions that are required to be disclosed under CFTC regulations. To access the expanded SwapsInfo website, [click here](#).

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