

Corporate treasurers operating in the FX market today face a range of challenges to maximize operational efficiencies, while also complying with an increasing number of regulatory requirements.

CLSSettlement

Corporate treasurers

Streamline your treasury operations for FX trading and benefit from best-in-class multilateral netting, improved cash management efficiencies and reduced settlement risk. Our leading payment-versus-payment (PvP) service is available to multinational corporations through our settlement members comprising over 70 of the world's most important financial institutions.

The benefits

- Provides significant operational efficiencies by centralizing and automating all FX confirmation, matching and payments to and from counterparty banks in CLSSettlement-eligible currencies
- Minimizes liquidity requirements and number of payments through multilateral netting (maximum one per currency and value date), thereby improving cash management efficiency
- Removes the requirement for individual counterparty payments for CLSSettlement eligible currencies to be initiated and managed by treasury
- Mitigates settlement risk and optimize credit line usage with counterparty banks

¹ Australian dollar, Canadian dollar, Danish krone, euro, Hong Kong dollar, Hungarian forint, Israeli shekel, Japanese yen, Korean won, Mexican peso, New Zealand dollar, Norwegian krone, Singapore dollar, South African rand, Swedish krona, Swiss franc, UK pound sterling and US dollar.

How we mitigate settlement risk

Multinational corporations can gain access to CLSSettlement to settle FX trades through our settlement members (third-party service providers) offering CLS-related services to their clients. The third-party service providers will connect your treasury operations to CLSSettlement, enabling the submission of trades. Third-party service providers are also responsible for handling all of the payment instructions and funding relating to these FX trades.

Why CLS?

Regulated and supervised by the Federal Reserve and recognized as a systemically important financial market infrastructure, CLS is critical to the orderly functioning of the global FX market.

Our unique PvP settlement service is linked to the real-time gross settlement (RTGS) systems of the 18 currencies eligible for CLSSettlement. The settlement of these payment instructions is final and irrevocable.

70+

settlement members

35,000+

participants around the world use our services indirectly through our settlement members

6.5+
USD trillion

average settled each day

18

of the most actively traded currencies globally¹

Systemically important financial market infrastructure critical to the orderly functioning of the global FX market

Awards: ☆

Best Settlement Initiative 2023

FX Markets e-FX 2023

Best FX Settlement & Risk Mitigation Solution FX Markets Asia

2022 / 2021 / 2020

Best Trading

Infrastructure Provider

American Financial

Technology 2021



Settlement



Processing



Data

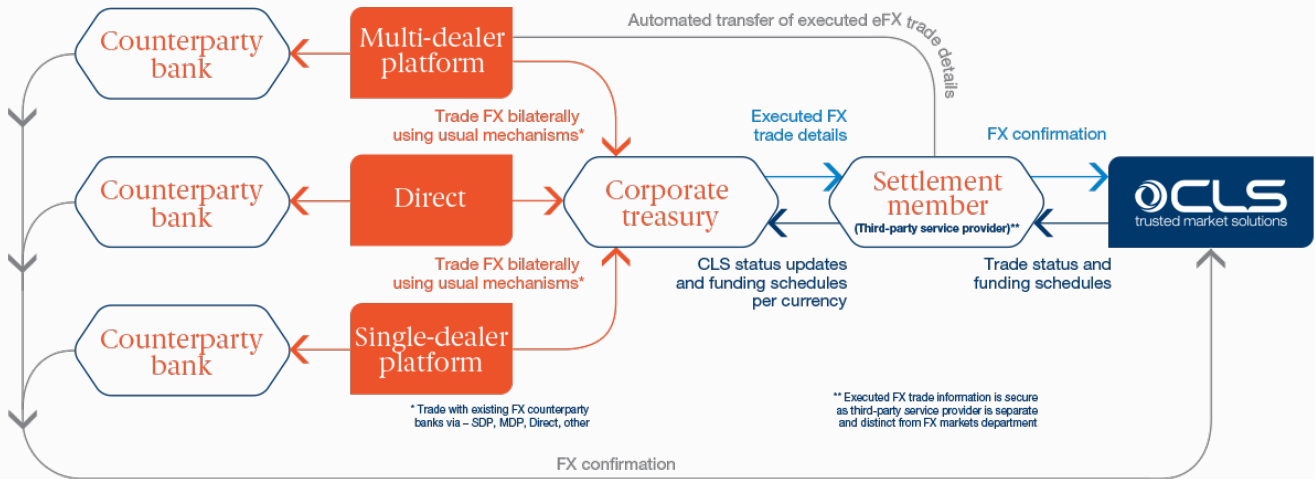
Increase liquidity efficiencies through multilateral netting

Once FX trades are submitted to CLS Settlement, we validate, confirm and match all transactions. On each settlement date, we simultaneously settle each pair of matched payment instructions.

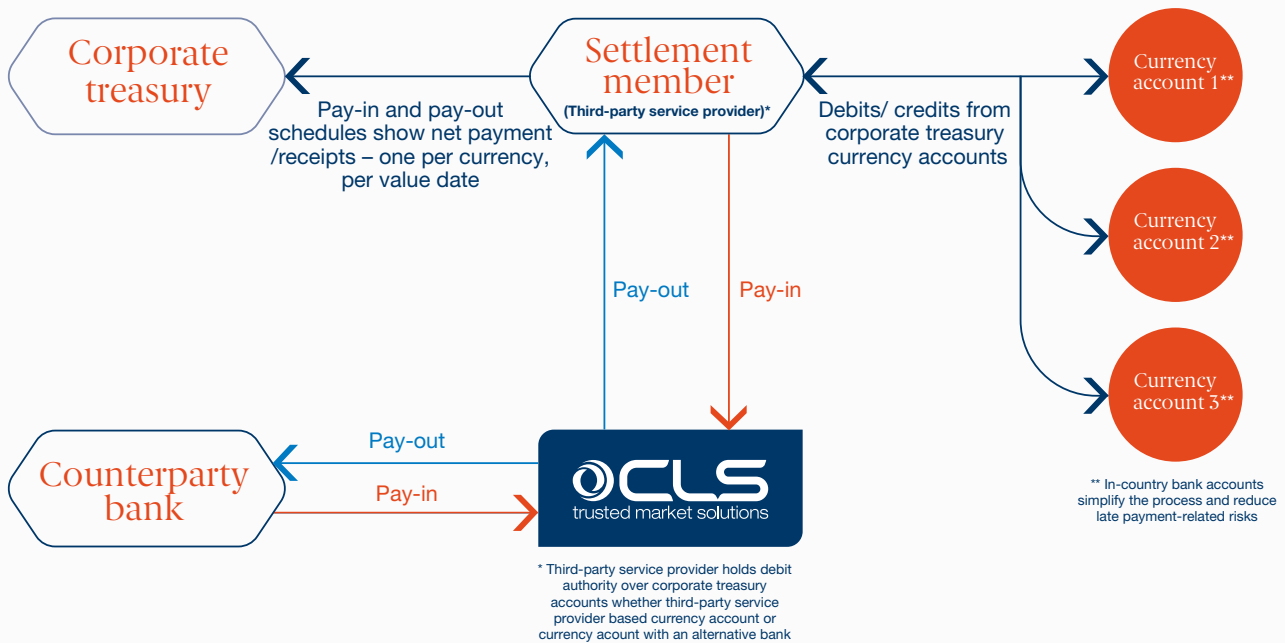
Each settlement member only transfers the net amount of its combined payment obligations in each currency, while still settling the gross value of its instructions.

This process considerably reduces the cash required to settle the payment of trades in a given day.

Typical FX workflow for CLS Settlement



Typical funding flows for CLS Settlement



FX Global Code
 Using CLS products and services plays an integral part in helping you comply with the FX Global Code. Find out more at cls-group.com

For more information please email enquiries@cls-group.com

Trusted by thousands of counterparties within the global FX ecosystem, CLS makes FX safer, smoother and more cost effective. Trillions of dollars' worth of currency flows through our systems each day.

London
 Hong Kong
 Tokyo

New York
 New Jersey

info@cls-group.com
cls-group.com