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Back and Stress Testing Disclosure Report Q3/2024

14 October 2024
Leipzig

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1. Introduction

According to Regulation (EU) No 648/2012, Article 49 in connection with Commission Delegated Regulation (EU) No 153/2013, Article 61 a CCP shall publicly disclose the general principles underlying its models and their methodologies, the nature of tests performed, with a high-level summary of the test results and any corrective actions undertaken.

ECC publishes the general principles underlying its models and their methodologies and the nature of tests performed on the following pages on ECC's website:

- <http://www.ecc.de/ecc-en/risk-management/margining>
- <http://www.ecc.de/ecc-en/risk-management/stress-testing>

The high-level summary of the results and any corrective actions undertaken are published and updated quarterly within this disclosure report ("*Back and Stress testing disclosure*"). The current report is published on the following page of ECC's website:

- <http://www.ecc.de/ecc-en/risk-management/margining> (section "Documents on Margining and Back Testing")

The published Back and Stress testing disclosure report is based on the test results obtained in the period **1 July 2024 to 30 September 2024** (relevant period).

2. Portfolio Back Testing

Back Testing on a portfolio level for all customer accounts is performed daily for spot markets and derivatives markets separately. The results are classified with the Basle Traffic Light Approach. Corrective action has to be taken if the number of portfolios in the respective zones of the Basle Traffic Light is higher than statistically expected.

In the relevant period zero (Q2/2024: zero) derivative market portfolios were in the red Basle Traffic Light area. No corrective action has been taken.

In the relevant period zero (Q2/2024: two) spot market portfolios were in the red Basle Traffic Light area. The outliers were related to short time series. Hence, no corrective actions are required ad-hoc.

3. Collateral Back Testing

Back Testing of collaterals is performed daily. The results are classified with the Basle Traffic Light Approach. Corrective action has to be taken if the number of collateral assets in the red area of the Basle Traffic Light is higher than statistically expected.

In the relevant period no collateral (Q2/2024: no) was in the red Basle Traffic Light area due to insufficient haircuts.

4. Stress Testing and Default Fund

Stress Testing is performed daily. The default fund is adjusted monthly and ad hoc if indicated by the daily stress test result.

Besides the regular monthly adjustments, no (Q2/2024: no) ad hoc adjustment of the Default Fund has been necessary in the relevant period.