

Single Rulebook Q&A

Question ID	2013_145
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting - Leverage ratio
Article	ART. 429
Paragraph	6
Subparagraph	-
COM Delegated or Implementing Acts/RTS/ITS/GLs/Recommendations	Regulation (EU) No 680/2014 - ITS on supervisory reporting of institutions (as amended)
Article/Paragraph	ITS Article 14
Date of submission	09/08/2013
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Disclose name of institution / entity	No
Type of submitter	Other
Subject matter	Leverage ratio: Exposure value of derivatives
Question	Article 429.6 of Regulation (EU) No 575/2013 (CRR) states that the exposure value of financial derivatives listed in Annex II and of credit derivatives shall be calculated in accordance with the Mark-to-Market method (see Art. 274 of CRR). Based on such instructions, it is not clear if the above mentioned method shall be applied both to OTC and exchange trade derivatives, also including those contracts cleared with CCPs.
Background on the question	This information is relevant for leverage ratio calculation.
EBA answer	Under Article 429(6) of the Regulation (EU) No 575/2013 (CRR), the Markt-to-Market method shall be applied to contracts irrespective of whether they are OTC or exchange traded and irrespective of whether they are cleared with a CCP or not.
Link	https://www.eba.europa.eu/single-rule-book-qa/-/qna/view/publicId/2013_145

