

**MEMO# 24641**

October 21, 2010

# **Committee On Payment And Settlement Systems Report On Strengthening Repo Clearing And Settlement Arrangements**

[24641]

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TO: MONEY MARKET FUNDS ADVISORY COMMITTEE No. 53-10 RE: COMMITTEE ON PAYMENT AND SETTLEMENT SYSTEMS REPORT ON STRENGTHENING REPO CLEARING AND SETTLEMENT ARRANGEMENTS

The Bank for International Settlements Committee on Payment and Settlement Systems (CPSS) recently issued a report highlighting issues related to the repo clearing and settlement infrastructure. [\[1\]](#) The report surveys a range of repo clearing and settlement arrangements in selected countries and analyzes the experience with such arrangements during the financial crisis. The report then identifies various issues related to repo clearing and settlement arrangements that could affect the resilience of repo markets and discusses possible ways to address these issues. The report suggests that providers of clearing and settlement arrangements for repos in each country work with market participants, regulators, and the central bank in an effort to develop a common view as to the relevance for their market of the issues identified in the report. It further suggests that each provider then evaluate which measure or measures would be best suited to address the relevant issues.

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## **endnotes**

[\[1\]](#) See Bank for International Settlements, Committee on Payment and Settlement Systems, Strengthening repo clearing and settlement arrangements (September 2010), available at <http://www.bis.org/publ/cpss91.pdf>.

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