



FINANCE FOCUS BREAKFAST

'Derivatives Clearing Reform: What Is at Stake?'

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Moderation: **Nicolas Véron**, Senior Fellow, Bruegel

Thursday 8 July 2010, 8:15 for 8:30am-10:00am at Bruegel, Brussels

The steep rise in the use of over-the-counter (OTC) derivatives in the past two decades has created significant risk exposures and challenges to the existing regulatory and supervisory framework, which have been put under the spotlight by the credit crisis. In Europe, reform proposals include mandatory clearing of a wide scope of derivatives through central counterparties (CCPs), as well as the collection of information on all transactions by trade repositories to increase the transparency on risk positions. Meanwhile, the US has just finalised its own set of measures to centralise derivatives clearing as part of the Dodd-Frank financial reform bill.

What are the benefits and risks of centralising derivatives clearing? What type of market structures are likely to emerge? How should clearing houses be regulated and supervised? Will the new architecture preserve the globally integrated nature of derivatives markets? This session will be an opportunity to debate viewpoints from a leading investment bank, a leading derivatives exchange and clearing house, and the European Commission, which has announced draft legislation on this issue to be presented later this year.

Andrew Hudis joined Goldman Sachs in 1985 in fixed-income research and then moved to London to work in financial strategies, fixed-income research, and options trading. He has managed Goldman Sachs' credit valuation adjustment business for interest-rate products since 2001. He holds a Master's Degree from Dartmouth College.

Matthias Graulich joined the Deutsche Börse Group in 2001 and has been an Executive Director at Eurex since 2007. He currently heads the Clearing Initiatives section, after having led the implementation of Eurex Clearing's OTC clearing service for Credit Default Swaps. An MBA graduate from the Fuqua School of Business at Duke University, he has also played a key role in the merger and integration of the International Securities Exchange in 2007.

Sebastijan Hrovatin joined the Financial Market Infrastructure Unit (DG Internal Market and Services) of the European Commission in 2005. Prior to that, he had worked for four years for Fiat in Italy, including as chief economist. He holds a degree in Economics from the University of Ljubljana (1999) and an MSc in Finance and Economics from the London School of Economics and Political Science (2000).

The discussion will be moderated by **Nicolas Véron**, senior fellow at Bruegel. Breakfast will be served at 8:15am.

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