



Important Notice

Fixed Income Clearing Corporation - MBS

MBS #:	MBS1280-23
Date:	November 6, 2023
To:	Mortgage-Backed Securities Division Clearing Members
Category:	Service Update
Subject:	Changes to MBS's Minimum Margin Amount, VaR and Margin Proxy Lookback Periods

Update:

Given the ongoing volatility in the fixed-income markets, effective November 20, 2023, Fixed Income Clearing Corporation (FICC) will be changing the following VaR model parameters for the Mortgage-Backed Securities Division (MBS):

1. The lookback period of the MBS's Minimum Margin Amount (MMA) will be changed from one year to two years.
2. The stress period added to the MBS's sensitivity VaR lookback period will be changed from one year to 1.5 years.
3. The stress period added to the MBS's Margin Proxy lookback period will be changed from one year to 1.5 years.

Capitalized terms not defined herein are defined in the MBS Rules.

Please direct any questions to FICC Market Risk at 1-212-855-2020 or FICCProductRisk@dtcc.com.

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