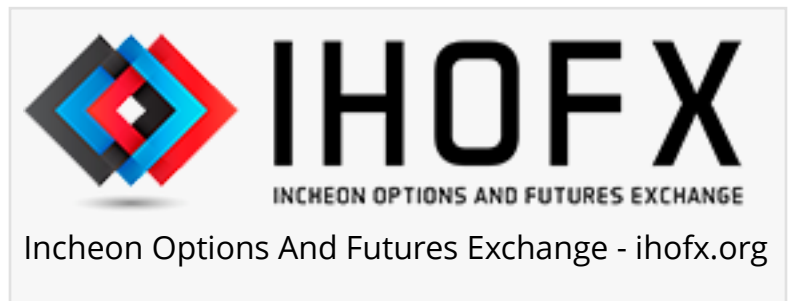


# IHOFX Launches Clearing for Credit Default Swap (CDS) Index Options

*IHOFX.org makes explicit the use of CDS Index Options for hedging purposes*

INCHEON, SOUTH KOREA, September 28, 2022 /EINPresswire.com/ -- IHOFX, a leading commodity exchange in Asia that is working hard on providing innovative products across different asset classes and creating a brand culture known for its original methods, risk management facilities and global insights, today announced that it has launched clearing for Credit Default Swap (CDS) Index Options, contributing to greater capital efficiency, risk management within the CDS market as well as price discovery.



IHOFX's Clearing solution describes a series of [innovations including](#) the use of a common platform allowing market participants, from buyers to dealers, to complete all processes of decision making in an integrated, risk manageable and technologically progressive manner. With the purpose of establishing a solid and transparent price discovery technique, IHOFX uses an expansion of the actual approach to Index clearing in order to identify feasible mark-to-market (MTM) levels for CDS Index Options and to ensure high accessibility to daily prices.

"The launch of CDS Index Options is a benefit for IHOFX's [market infrastructure](#) due to a vigorous risk management approach and as a result it maintains the significant momentum across our CDS complex. As we are including Index Options into our actual capital efficient risk mitigation approach to CDS clearing, we are offering our clients extra opportunities to access the CDS market and to implement cost-effective strategies when managing the risk", said Chang Dong-yul, Chair of the IHOFX Commodity Risk Ratings Methodology Advisory Board.

In order to identify margin levels across portfolios, market users can make use of IHOFX's updated CDS risk management system which supports a simulation framework and provides major improvement over general planning practices. Index Options tools are evaluated and controlled through the general CDS portfolio framework involving efficient, constant and reliable risk management measures.

"Clearing CDS Index Options represents a significant innovation for the CDS market. Cross-

margin over indices and options and IHOFX Clearing platform are meant to support capital efficiency and build up operational risk management on expiry dates”, added Chang Dong-yul, Chair of the IHOFX Commodity Risk Ratings Methodology Advisory Board.

About [Incheon Options and Futures Exchange](#) (IHOFX)

IHOFX.org is an exchange venue that has leveraged the industry-leading technology and developed infrastructure to provide a price-time allocation and maker-taker pricing model. IHOFX is one of the leading commodity exchanges in Asia and has made a name for itself by dealing with a wide range of commodity and financial products. IHOFX is working hard on providing innovative products across different asset classes and creating a brand culture known for its original methods, risk management facilities and global insights.

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Incheon Options And Futures Exchange - [ihofx.org](http://ihofx.org)

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