

PRESS RELEASE

ASIFMA and ICMA publish results of survey of Asia repo markets

(14 December, 2021 – Hong Kong/London) - ICMA's European Repo and Collateral Council (ERCC) and ASIFMA have published the results of the [latest survey of the Asia-Pacific repo market](#). Using similar methodology to the established ICMA ERCC European repo market survey, the latest Asia-Pacific survey reports the outstanding value of repos and reverse repo on June 9, 2021, and a detailed breakdown of those positions.

The report splits the Asian survey into two parallel surveys, one for trading repo in Japan and the other for rest of the APAC region. The focus of the business surveyed is cross-border transactions by global and regional banks, rather than domestic activity. The ASIFMA/ICMA survey is the only source of data on this business.

The **Japan** survey reported an outstanding value of repos and reverse repos for the survey sample on June 9, 2021, of USD 202.9 billion, compared with USD 215.7 billion last year. Average daily turnover over the year to 9 June was almost USD 33 billion, with an average deal size of about USD 63 million.

The **non-Japan Asia** survey reported USD 260.1 billion in outstanding value and an average daily turnover of USD 29 billion, compared with USD 216.7 billion and almost USD 37 billion per day in 2020. Average deal size was some USD 56 million, compared with USD 76 million in the last survey.

"The annual ASIFMA/ICMA repo survey is a unique source of information on the state of the cross-border repo markets of Asia-Pacific" said ICMA Chief Executive Bryan Pascoe, "It continues to inform our work with members and the authorities in the region on developing this important funding market".

"The ASIFMA/ICMA survey shows the growing importance of Repo across the region and the dynamics of its structure and stakeholders," added Philippe Dirckx, Managing Director and Head of Fixed Income at ASIFMA. "It is also encouraging to see the regulatory changes supporting its development aligned with our members' expectations and requirements. There nevertheless remain impediments limiting cross-border repo to fully leverage the liquidity of the on-shore market. This is one of the key areas of focus when we engage with the relevant regulators and market infrastructures."

Download the ICMA ASIFMA Asia-Pacific repo market survey [here](#).

Main survey findings

- In both the Japan survey and the non-Japan survey the overwhelming share of reported repos was still executed directly between parties by telephone and electronic messaging. Voice brokers continue to play a more significant role in the Japan market than in the rest of APAC. Automatic and automated trading was very limited in this largely cross-border business.

- Japanese securities continued to dominate the Japan survey, particularly JGBs. US Treasuries had a small share. Correspondingly, the Japanese yen remained predominant in the Japan survey, with the remaining business mainly in US dollars.
- The non-Japan APAC survey sample largely traded US dollars, Australian dollars and euros against US, Australian and European collateral, with the US dollar dominant. About one-third of outstanding business was in Asian currencies. The overwhelmingly largest share of all collateral was non-government securities but the largest individual pools of collateral were in US Treasuries, Australian government securities and eurozone government securities. There were also material amounts of non-government US securities, JGBs, issues by international financial institutions and Chinese securities.
- The major share of the outstanding business reported in the non-Japan APAC survey was cross-border with counterparties in the APAC region and European counterparties.
- Most non-Japan APAC transactions were documented under the GMRA, which is an indicator of the non-domestic nature of the business surveyed.

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