

PRESS RELEASE

ICMA and ASIFMA publish results of survey of Asia repo markets

(1 December, 2022 – Hong Kong/London) - [ICMA](#)'s European Repo and Collateral Council (ERCC) and [ASIFMA](#)'s Secured Funding Markets Committee 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 repos as at June 8, 2022 and offers a detailed breakdown of those positions. It is important to note that the survey does not measure the size of domestic repo markets in the APAC region but cross-border business involving internationally-active banks.

Whereas normally the Asian survey differs from the European survey in that it is split into two parallel surveys, one for trading in Japan and the other for trading elsewhere in the APAC region, this survey covers only the APAC non-Japan region.

In broad terms, across the APAC non-Japan region, the survey reported USD 310.9 billion in outstanding value and an average daily turnover of USD 3 billion, compared with USD 242.4 billion and almost USD 33 billion per day in 2021. Average deal size was some USD 47 million, compared with USD 56 million in the last survey.

“We’re delighted to present the annual ASIFMA/ICMA repo survey. Since 2016 this survey has offered a valuable source of information on the state of the cross-border repo markets of Asia-Pacific,” said ICMA Chief Executive Bryan Pascoe. “As we recover from the pandemic, we hope that work such as this will continue to benefit our members, authorities and regulators and other market participants in the region.”

“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 (ex-Japan) repo market survey [here](#).

Main survey findings

- The survey revealed that the bulk of business in the non-Japan repo market share of reported repos was still executed directly between parties by telephone and electronic messaging. However, voice-brokers and, to a lesser extent, automatic electronic trading systems, increased their share over the period under review. There was also a recovery in the share of CCP-clearing.
- There was a distinct change in the geographical nature of business, with a decline in cross-border business between APAC and Europe relative to cross border business within APAC. This theme was also reflected in major shifts in shares away from transactions with counterparties in Europe, the US and major Asian markets in favour of “other APAC” and Australian counterparties.

- European securities and US Treasuries also lost ground in favour of Japanese securities and international bonds (eurobonds). However, both US Treasuries remain a significant source of collateral. Overall, government securities became the largest class of collateral.
- The US dollar remained the dominant currency in the APAC (non-Japan) repo business measured by the survey, but the Japanese yen took an increased share, largely at the expense of the euro. The Australian dollar continued to be a significant component.
- Most transactions were documented under the GMRA, which is an indicator of the non-domestic nature of the business surveyed and of the role of the GMRA as the standard master agreement for cross-border repo globally.

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Contact details for further information:

ICMA

Allan Malvar, allan.malvar@icmagroup.org, +44 7738 696 451

Oliver Tinkler, oliver.tinkler@icmagroup.org, +447931100499

ASIFMA

Corliss Ruggles, cruggles@asifma.org, +852 9359 6996