

CSDs: **KSEI (Indonesia)**

Date: 22 Jun 2010

SMI Markets: **Indonesia**CMIRR Markets: **Indonesia**

KPEI to Implement Continuous Settlement System

PT Indonesian Clearing and Guarantee Corporation (KPEI), the central counterparty for on-exchange transactions, has secured intraday credit facilities amounting to IDR 490 billion from two local banks in Indonesia. This is part of the KPEI plan to implement a continuous settlement system. The exact implementation date will be announced in due course.

KPEI currently runs two settlement batches: from 6.30am to 8.30am and from 12.15pm to 1.30pm. With the introduction of the continuous settlement system, settlement can be conducted anytime from 6.30am to 1.30pm. The intraday credit facilities, however, will only be made available at the start of the banks' operations.

KPEI announcement is available here: [KPEI to Implement Continuous Settlement System](#)

CSD Risk Impact

KSEI (Indonesia)

CSD Rating: A+

CSD Flash Impact: On Watch

Impacted Risk Type: Asset Commitment Risk

Current Rating = AA-

Flash Impact = On Watch

Impacted Risk Type: Liquidity Risk

Current Rating = A+

Flash Impact = On Watch

The secured intraday credit facility will be utilised by the KPEI to support its plan to implement the continuous settlement system. The facility will be used to a pay clearing member in the event that there are insufficient funds in the KPEI operating accounts and the member has fully delivered their securities obligations and meets all the exposure requirements. This could improve liquidity and allow members to receive funds earlier than what the current arrangements permit. Further assessments will be made when more details become available.

Market Information Impact

Indonesia

This information affects the data contained in the Settlement sections of the Securities Market Information Service.

Infrastructure Risk Ratings Impact

Indonesia

Market Rating: A

Market Flash Impact: Stable

Impacted Risk Type: Asset Commitment Risk

Current Rating = AA-

Flash Impact = On Watch

Impacted Risk Type: Liquidity Risk

Current Rating = BBB

Flash Impact = On Watch

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