

CSDs: Global (Global)

Date: 14 Sep 2010

SMI Markets: Global

Preliminary Pricing Structure of T2S

During a meeting of the T2S Advisory Group held on 7/8 September, the T2S Programme Board announced their preliminary figures on future T2S prices.

The prices for DvP settlement will vary on the geographical reach of T2S and will be in the range of EUR 0.13 to EUR 0.20 per settlement instruction, depending on the number of currencies the transactions will be settled in (EUR 0.20 being a price for all EUR-only settlement business and EUR 0.13 for EUR, GBP, CHF and all other joining currencies).

Furthermore, the project team has outlined the costs for building of the T2S which have increased to EUR 346 million, with EUR 256.4 million being spent on the actual building of T2S by the four central banks (Deutsche Bundesbank, Banco de Espana, Banque de France and Banca d'Italia) and EUR 90.2 million expenses incurred by the European Central Bank (ECB). Over the development phase, the project team expects averaged yearly costs of EUR 50.7 million for the four central banks (referred to as '4CB') and EUR 9.3 million for the ECB.

The increase in expected costs can be attributed to the delay in implementation of the project leading to revision of costs, lower than expected current settlement volumes in Europe, and inclusion of additional services and functionality.

Please note that the above prices are not final and the pricing structure is still being discussed with market participants. Negotiations on participation in T2S are still in progress. Contracts between the Eurosystem and CSDs and central banks not in the Eurozone are expected to be signed during Summer 2011.

More information can be found here: [T2S pricing taking shape](#).

CSD Risk Impact

Global (Global)

CSD Rating: -

CSD Flash Impact: Stable

This newflash is for information only.

Market Information Impact

Global

This newflash is for information only.

Related Flash: [ECB Publishes Eligibility Criteria for CSDs in T2S, 22/01/2010 \(click to view\)](#)

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