Settlement of open market operations in the ECMS
## Instruments within the scope of ECMS

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<td>Foreign exchange swaps</td>
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Link to tender process

- Collection of bids is managed in the usual NCB application, which remains outside the ECMS.
- The processing of bids is likewise conducted outside the ECMS.
- The ECMS will receive the results of the process.
Settlement of payments – general principles

- All payments are settled in T2 (CLM)
- Settlement occurs in the MCA designated by the counterparty
- This may be its own MCA or that of another CLM participant (subject to the necessary agreements)

Netting of payments

New operations are netted out against any maturing liquidity providing operations (e.g. OMO and marginal lending). Availability depends on the setup in each NCB and of the system.
Settlement of an open market operation

1. Open market operation tender results

Settlement at the start of the business day (between 19:00 and 19:30 CET on the previous calendar day)

2. pacs.009 or pacs.010

Counterparty can follow the different statuses in the ECMS GUI

ECMS

3. pacs.002

Settlement in the MCA designated by the counterparty

CLM
Request access to the Marginal Lending Facility

1. pacs.009

Request either for immediate settlement or for netting at the start of the next business day.

2. pacs.009

Counterparty request and payment settlement use the same message but are filled with different information.

3. pacs.002

4. pacs.002
Payments at maturity of an operation

Separate payments for principal and interest

1. pacs.009 or pacs.010
2. pacs.009 or pacs.010

At the start of the business day (simultaneous with settlement of new operations)

Settlement in the MCA designated by the counterparty

3. pacs.002

4. pacs.002

Counterparty
Calculation of accrued interest

- Last-day accrual approach
- Same calculation process applies to all outstanding open market operations (including fixed-term deposits), marginal lending and cash as collateral, using the respective interest rates
- In the case of TLTRO operations, interest will be accrued at a provisional rate (MRO), before the final rate is known