

Deutsche Making Derivatives Push

Hedge Fund Alert

Deutsche Bank this week will begin marketing a business aimed at providing derivatives traders with comprehensive execution and clearing services for both listed and over-the-counter contracts.

The new unit, which will work closely with the bank's prime brokerage, is designed to help hedge funds and other big clients comply with pending regulations that would steer most derivatives trades through central clearing houses. Deutsche plans to announce the launch of its Markets Clearing business today.

Through the new unit, asset managers will be able to execute and clear a wide assortment of derivatives contracts, including credit-default, currency and interest-rate swaps. Deutsche also will advise clients on choosing a central clearing house, financing trades and risk monitoring.

The business is led by Jon Hitchon, who was reassigned from his previous job as global co-head of prime brokerage. He is based in New York. To fill the vacancy, Deutsche named Roger Naylor as global co-head of prime brokerage alongside Barry Bausano. Naylor is based in London, while Bausano works in New York.

Deutsche has been among the big banks pushing to unify their derivatives businesses ahead of the regulatory deadlines. Last November, the German bank handled the first electronically executed and cleared interest-rate swap trade in the U.S. In February, it pulled off a similar move with the first electronically executed credit-default swap in the U.S. ⌘