Derivatives Service Bureau

CHANGE REQUEST FORM

Version	State	Author	Date	Description
1	Draft	M. Surop	20 Jul 2022	Initial Document
2	Draft	M. Surop	21 Sep 2022	Updated Change Details for tool tip (and value elaboration)

Title	Add new Inflation Rate to the Rates and Non-Standard Enumerated Lists		
Background	ISDA has distributed the publication to advise of the inclusion of 1 new Inflation Rate. • **UK-CPIH** This new Inflation Rate was added to the FpML list, and the official name is confirmed as detailed in Change Details section below. The DSB is obliged to ensure that the list of Inflation Rates available as underlier for Rates and Other Asset Classes products in the DSB are kept in line with the FpML Scheme Definition: inflationIndexDescriptionScheme and so it is necessary to add this new value to the enumerated list. This update will impact all templates within the RATES and OTHER Asset Classes that include an Inflation Rate as an Underlying.	**DSB-ID**	DSB-1830
		Type	Enumeration
		Owner	M. Surop
		Version	2
		State	Final
Assumptions	• It is assumed that this change applies to both ISIN and UPI schemas as both utilizes the same JSON codeset for Inflation Rates. • It is assumed that the DSB will GO Live and use the ISO 20022 truncated code [UK-CPIH] at the moment. *(see full details in Derivation Section).*		
Scope	In-Scope • This CRF covers the input (Request) and output (Record) template in the GUI and API. • This also covers RATES products that support Inflation Rates templates as well the OTHER Asset Class. Out-Scope • This CRF will not cover RATES product templates that has Underlying Instrument ISIN and Notional Currency as its underlier.		
Change Details	For each of the in-scope templates, the following enumerated value and its corresponding elaboration will be added to the <u>Reference Rate</u> and, where applicable, <u>Other Leg Reference Rate</u> attributes. This change impacts the following codesets which applies for both ISIN and UPI schemas: <table><tr><th>Codeset Name</th><th>Reference Rate</th><th>Tool Tip (and *value elaboration*)</th></tr><tr><td>FpmlRatesInflationRate.json</td><td rowspan="2">UK-CPIH</td><td rowspan="2">United Kingdom: GBP - Non-revised Consumer Prices Index including Housing (UKCPIH)</td></tr><tr><td>FpmlRatesReferenceAndInflationRate.json</td></tr></table>		
Validation	This new Inflation Rate will not be subject to any validation nor expiry date validation. This is due to the mentioned Inflation Index being published being new.		

Derivation	The following derivation of ISO 20022 Code value will apply:

	Reference Rate	ISO Reference Rate (Alphanumeric 25 characters)
	UK-CPIH	UK-CPIH

| Impacted Products | Please note that the Request and Record templates for the following products will be impacted:

1. Enumerated value "UK-CPIH" [FpmlRatesInflationRate.json] to be added where Reference Rate exists.
   - Rates.Swap.Inflation_Fixed_Float_YoY
   - Rates.Swap.Inflation_Fixed_Float_Zero_Coupon
   - Rates.Swap.Inflation_Swap
   - Rates.Swap.Cross_Currency_Inflation_Swap

2. Enumerated value "UK-CPIH" [FpmlRatesInflationRate.json] to be added where Underlying Instrument Index exists.
   - Rates.Option.Inflation_CapFloor

3. Enumerated value "UK-CPIH" [FpmlRatesInflationRate.json] to be added where Reference Rate and Other Leg Reference Rate exist.
   - Rates.Swap.Inflation_Basis_YoY
   - Rates.Swap.Inflation_Basis_Zero_Coupon

4. Enumerated values "UK-CPIH" [FpmlRatesReferenceAndInflationRate.json] to be added where Reference Rate and Other Leg Reference Rate exist.
   - Rates.Swap.Non_Standard
   - Other.Option.Non_Standard
   - Other.Other.Non_Standard
   - Other.Swap.Non_Standard

5. Enumerated values "UK-CPIH" [FpmlRatesReferenceAndInflationRate.json] to be added where Reference Rate exists.
   - Rates.Option.Non_Standard

6. For Rates.Swap.Inflation_Basis, the following changes will apply:
   a. Where component is "Inflation vs Inflation":
      - Enumerated value "UK-CPIH" [FpmlRatesInflationRate.json] to be added where Reference Rate and Other Leg Reference Rate exist.

   b. Where component is "Inflation vs Floating":
      - Enumerated value "UK-CPIH" [FpmlRatesInflationRate.json] to be added where Reference Rate exists.

Note: Impacts Normalised and Non-Normalised templates. |
|---|---|

User Impact?	Yes	Users will need to download the updated templates in order to access the new Inflation Rate.
	Versions	The version number of all in-scope Record templates will not be impacted.

Use Cases	For each of the in-scope templates:
	Valid Request:
	    1. Select the new enumerated value within the impacted attribute(s).
	    2. Search for products that include the new enumerated value.

Documentation	The following DSB documents are to be updated: DSB UAT Annex 7 Indices : https://www.anna-dsb.com/download/dsb-uat-product-definitions-annex-7-indices/ DSB PROD Annex 7 Indices : https://www.anna-dsb.com/download/dsb-prod-product-definitions-annex-7-indices/
References	• FpML Scheme Definition: inflationIndexDescriptionScheme (https://www.fpml.org/coding-scheme/inflation-index-description-2-3.xml)

GUI Definition

The following diagram illustrates the impact of this new Inflation Rate on the existing product templates:

a. GUI Request Template: Rates.Swap.Inflation_Swap

b. GUI Record Template: Rates.Swap.Inflation_Swap