



Welcome to the Derivative Service Bureau's (DSB) second newsletter of 2020, where we provide an update on the DSB's latest activities and relevant industry news to help foster further engagement and collaboration.

In this edition, we have included the final results of the DSB's annual consultation, which was made available on the 1st of July. As always, we work hard behind the scenes to enhance our coverage, and you can find updates on our past and future scheduled releases. Our experts have been busy in 2020 participating in industry events and seminars, and you can access the interviews in the "DSB in the news" section. Last but not least, in our "Metrics" section, we have published our Q2 2020 FIRDS analysis comparing created DSB ISINs vs ISINs reported to FIRDS.

[Please do get in touch](#) for more information on how to get involved with the DSB.

UPI Passport Analogy

We are often asked about the difference between the OTC ISIN, UPI and CFI. Oftentimes an analogy from outside financial markets is the best way to highlight the principle, so here is an example using personal identification to help explain what is in each standard. You can also read more about the OTC ISIN, UPI and CFI hierarchy in [this blog post](#).

OTC ISIN, UPI, CFI Hierarchy
PASSPORT ANALOGY

ANNA
ISIN NUMBERS THE WORLD
DSB | Derivatives Service Bureau

Standard	Icon	THIS INFORMATION WOULD TELL YOU:
ISIN	Person with ID card and fingerprint	<ul style="list-style-type: none">• CITY THE PASSPORT WAS ISSUED IN• BIOMETRIC TYPE• TYPES OF VISAS ASSOCIATED WITH PASSPORT• FULL NAME OF PASSPORT HOLDER• DATE OF BIRTH• ISSUE DATE AND EXPIRY DATE
UPI	Passport and ID card	<ul style="list-style-type: none">• COUNTRY OF ISSUE• IF THE PASSPORT IS BIOMETRIC• IF THERE ARE VISAS ISSUED FOR THIS PASSPORT• ANY NOTATIONS OF CONCERN
CFI	Passport	<ul style="list-style-type: none">• IT IS A TYPE OF DOCUMENT• ISSUED BY A COUNTRY• AUTHENTICATION TYPE AVAILABLE• THAT THE DOCUMENT IS A PASSPORT

Market Outreach



We were delighted to have Malavika Solanki featured as the keynote speaker at [RegTech Insight's RTS Virtual](#) event on 16 June, where she talked about OTC reference data reporting: beyond MiFID II. In it she explored the current landscape and trends in post-trade reporting for OTC derivatives.

Looking Ahead

DSB Industry Consultation Report – 2021 Service Evolution

The DSB shared the final Industry Consultation Report, highlighting the needs of new and existing users. The [final report](#), published on Wednesday 1st July, resulted in industry approving the introduction of two new data services, additional risk assessments on cybersecurity matters, and other data alignment initiatives to be taken forward as part of the 2021 service provision.

September scheduled release summary

New enumerations and mapping of “The Other Reference Rate To The 4 Character ISO 20022 Standard” [enhancements](#).

Latest Releases & Enhancements

2020 Dynamic Enumerations Phase 1

As approved by industry during the 2018 consultation process, the Derivatives Service Bureau (DSB) has undertaken work to decouple the most frequently changing data elements from OTC ISIN product templates, in order to enable greater operational efficiencies for both industry and the DSB. Following guidance from industry participants at the Product Committee (PC), the DSB has focused on the three most volatile enumerations, those of Currency, Reference Rates and Underlying Indices. The new, normalised [product templates](#) contain decoupled enumerations for the attributes listed above, so that the specific enumerated values are no longer contained in the core structure of the OTC ISIN product template.

June release summary

With the latest [enhancement](#), the DSB has added a Turkish Reference Rate and three Credit Indices to the enumeration lists.

DSB In The News



A-Team Group Q&A with Malavika Solanki, Management Team, DSB

In this [video interview](#) with RegTech Insight, Malavika Solanki discusses changes in RegTech, key areas of focus in the latest DSB consultation, and the benefits of AI and automation.



EU Women in Finance: When Opportunity Knocks

The DSB's MD Emma Kalliomaki was featured in Best Execution's "European Women in Finance" series. [The article](#) looks at Emma's journey to becoming MD, the importance of communication when managing remote teams, and how industry consultation has played a critical role in the development of the DSB's services.



COVID & Derivatives: Market Participants Should Be Braced for a Tumultuous Year Ahead

In this interview with Derivsorce, the DSB's Malavika Solanki discusses how [Covid-19 will affect the derivatives market](#) moving forward, including concerns over constrained cashflows and the impact on the default rate.



The Derivatives Service Bureau Wins “Best Sell-Side Regulatory Data Solution” at the RegTech Insight Awards 2020

The DSB was delighted to be awarded “[Best Sell-Side Regulatory Data Solution](#)” at the RegTech Insight, from A-Team Insight Awards 2020. Thank you to A-Team and the industry for this recognition!

OTC ISINs Throughout The Trade Lifecycle

While the DSB was originally set up specifically to generate OTC ISINs to meet industry’s needs for MiFID II RTS-23 reference data reporting (within the context of market abuse), today’s users are increasingly integrating with the DSB service at varying points in the trading lifecycle for their own internal processes.

Metrics

Below are the DSB metrics, to provide data on OTC ISIN creation, use and trends.

- [FIRDS Analysis for June 2020](#)
- [June 2020 DSB monthly metrics](#)
- [Support Metrics 2020](#)

Graphic below: DSB OTC ISIN Creation Trends

