

## DSB PRODUCT COMMITTEE MEETING MINUTES

**Meeting:** The 26th DSB Product Committee Meeting

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**Date:** 20-Jun-2017                      **Time:** 15.00 – 16.30 BST                      **Location:** Teleconference

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**Chairperson:** Sassan Danesh, DSB Chair

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**In attendance:**

<p><b>Committee Members</b> Stephen White, Fidelity Tia Ellerman, CITI Peter Gratwick, JP Morgan Danielle Wissmar, GSAM Trevor Mallinson, Bloomberg Trading Facility Bill Stenning, Société Generale Joseph Berardo, Intercontinental Exchange</p>	<p><b>Regulators (Observers)</b> Takahiro Onojima, JSDA Eiichiro Fukase, JSDA Robert Stowsky, CFTC</p> <p><b>DSB Secretariat / PMO</b> Tony Birrell Kuhan Tharmananthar Natalia Kozlovich</p>
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**Apologies:** Franz Rockermeier, Allianz Global Investors  
Emma Kalliomaki, ANNA Board Observer  
Ayala Truelove, Tradeweb

**Absences:**

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<b>No</b>	<b>Topics</b>
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**1            Open Actions**

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- **Action 86:** PC agreed that the exotic templates are still being developed and require further analysis before they are ready for discussion
  - **Action 89:** PC agreed to schedule ISIN status discussion for a later PC meeting
  - **Action 95 & 102:** Both these actions are awaiting feedback from ESMA
  - **Action 105:** To be discussed in today's meeting
  - **Action 106:** The DSB continues to engage with market participants to explore possible solutions however discussions are nascent
  - **Action 109:** User input for price multiplier has been narrowed to the commodities asset class – propose to close
  - **Action 110:** To be discussed in today's meeting
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**2 & 3        Process to request a new index & index matrix**

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- Secretariat walked through the matrix of indices currently referenced in the DSB product definitions and their sources. PC agreed with overall approach
  - PC agreed that validation of proposed index names would be required against the existing set as well the trademarked name of the new index
  - PC agreed to follow the CPMI guidance on the distinction between a basket and an index
  - PC agreed that a robust communication process must be in place to notify the industry of upcoming changes
  - PC agreed that the index change process should be added to a future consultation for industry feedback
    - **Action:** Secretariat to explore the best medium to announce proposed new index additions
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**4 Review of CP2 Responses**

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- PC walked through the draft final report and agreed changes to the assumptions and text where necessary
  - **Action:** Secretariat to distribute a new draft reflecting PC feedback

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**5 Confirmation of Fixed Rate/Strike Price statement for ESMA**

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- PC discussed the ESMA response text on the use of fixed rate as the price in transaction reporting
  - **Action:** Member agreed to issue a revised draft

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**6 DSB Taskforce: Update**

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- ISDA will deliver their questions on Rates and Credit by COB 21 June 2017

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**7 AOB**

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- No other business
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Respectfully submitted,

DSB Secretariat

Minutes Approved on:

## Summary of Open Actions

<b>No</b>	<b>Actions</b>	<b>Owner</b>	<b>Target Date</b>
<b>86</b>	Secretariat to develop an initial exotic product definition for each asset class and schedule for discussion with the Committee in May.	DSB Sec	27-Jun-17
<b>89</b>	Secretariat to schedule ISIN Status discussion in future PC meeting	DSB Sec	27-Jun-17
<b>95</b>	Secretariat to follow up with the RTS 23 text and ESMA to validate their expectations for Portfolio Swaps and FX Swaps	DSB Sec	21-Jun-17
<b>102</b>	Secretariat to verify with ESMA that term of the underlying index is not required for equity derivatives	DSB Sec	21-Jun-17
<b>106</b>	Secretariat to track and report on Markit proposal for credit underliers to the PC	DSB Sec	27-Jun-17
<b>110</b>	Secretariat to request ESMA to publish clarification on Strike Price and Fixed Rate for reference data reporting on OTC derivatives once the matter has completed due process	DSB Sec	23-Jun-17
<b>111</b>	Secretariat to explore the best medium to announce proposed new index additions	DSB Sec	30-Jul-17
<b>112</b>	Secretariat to distribute new PC CP2 Final Report draft	DSB Sec	23-Jun-17
<b>113</b>	Member to issue revised draft of statement to ESMA on Fixed Price omission from a particular set of Rates instruments	Member	21-Jun-17