

DSB PRODUCT COMMITTEE MEETING MINUTES

Meeting: The 98th DSB Product Committee Meeting

Date: 13-Nov-2018 **Time:** 15.00 – 16.30 BST **Location:** Teleconference

Chairperson: Malavika Solanki, DSB

In attendance:

Committee Members Uwe Hillnhuetter, Tradeweb Jay Shotton, JP Morgan Bill Stenning, Société Générale Tia Ellerman, Citi Jonah Platt, Citadel	Regulators (Observers) David Olgilvie-Forbes, FCA Eiichiro Fukase, JSDA
	DSB Secretariat / PMO Andy Hughes, DSB Simon Wiltshire, DSB Nathan Dagg, DSB

Apologies: Adam Lister, Bloomberg,
Michael Bauch, Allianz Global Investors
Joseph Berardo, Intercontinental Exchange
Emma Kalliomaki, ANNA Board Observer

Absences:

No	Topics
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1	Open Actions
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- **Action 218:** The DSB to report back to the Product Committee with the detailed response from ESMA to IR Term of Contract guidance once it has been received. Due date to be rolled further out pending response from ESMA. Discussed on today's call. Remain open.
 - **Action 221:** PC members are to provide feedback on the use of Basis/Basis OIS templates following further analysis by COB 5th October 2018. As a part of this analysis, the PC will also review the last week's ESMA guidance to see if there was any additional impact on this issue.
 - **Action 225:** DSB to review feasibility and cost impact of stopping its existing development approach given the redeployment of resources and roadmap impact given SI readiness work. Closed
 - **Action 228:** DSB to revert with development resourcing / cost / time to market impact of introducing support for the calculation of the tenor to allow industry a consistent basis for calculation. Closed.
 - **Action 229:** PC members to provide any additional feedback to the DSB on the proposed implementation approach. Closed.
 - **Action 230:** DSB to draft a user notification and distribute to the PC members for approval prior to sending the notification to the DSB user base. Remain open
 - **Action 231:** DSB to review whether it might be able to release the templates in a manner that allowed for 'optional' adoption ahead of go-live. Remain open
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2	IR Term of Contract (Field 41)
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- DSB provided an overview of additional scenarios of the calculation of field 41, which were submitted by a PC member during the week, with the example to be included in the FAQ to be distributed alongside other UAT documentation
 - DSB mentioned is had sent a draft notification to the PC in line with Action 230, which was to be distributed to users on Wednesday
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- PC members had discussed the API calculator and wanted to understand some more specifics of how the calculator service would work
 - **Action 232:** DSB to provide some additional information relating to tenor calculator API and how the service would function
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3 Portfolio Swap

- DSB provided a review of the proposed functionality for the new Portfolio Swap templates based on the feedback contained in the Change Request submitted by users, in preparation for the SI regime in March 2019
 - PC members were in agreement with the proposal and the DSB would move forward with the addition and development of new templates
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4 FX Index – Proposed

- DSB advised the PC it had received a request for the introduction of FX Index Swap, Forward and Option templates from one of its users. The mentioned they do a small amount of volume each month and believed these new templates could support the generation of CFI codes beginning with 'K' – a category not currently assigned by the DSB.
 - PC members were not aware of sufficient volume for new templates to support such use cases the and mentioned they would refer to their internal departments for more information in order to understand if this request would require further analysis from the DSB to support these templates
 - **Action 233:** PC members to investigate internally as to the use of FX Indices over Swap, Forward and Option instruments
 - PC Members asked the DSB to obtain further information from the user, including termsheets, etc. to assist the PC in its determinations
 - **Action 234:** DSB to revert to the user seeking further information such as a redacted termsheet, etc. to assist the PC in its determinations for instruments with an FX Index
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5 Cross-Asset Templates

- DSB provided an overview of the proposed release timing for changes that will be made in the Cross-Asset Templates (Non-Standard) in readiness for the SI regime in March 2019, which included validation updates and the incorporation of field 41
 - PC was asked to consider the proposed February release in order to be ready for SI regime or hold back delivery of the templates in line with the Rates asset class templates (which include field 41) on March 26th. PC agreed that a single modification to the templates was preferable if this could be technically enabled
 - **Action 235:** DSB to review technology feasibility of early support for field 41 within the cross-asset templates and revert to the PC
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6 Rates Inflation Basis Year on Year

- DSB advised it been contacted by ISDA regarding the support of Inflation Basis Year on Year templates in addition to the Inflation Basis and Inflation Basis Zero Coupon templates. The creation of a new template would generate the same CFI code as the existing Inflation templates
 - PC agreed that the DSB should move forward and support the Inflation Basis Year on Year template.
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7 AOB

Respectfully submitted,

DSB Secretariat

Minutes Approved on: 26th November 2018

Summary of Open Actions

No	Actions	Owner	Target Date
218	The DSB to report back to the Product Committee with the detailed response from ESMA to IR Term of Contract guidance once it has been received.	DSB Sec	28-Nov-18
221	PC members are to provide feedback on the use of Basis/Basis OIS templates following further analysis by COB 5th October 2018. As a part of this analysis, the PC will also review the last week's ESMA guidance to see if there was any additional impact on this issue.	PC Members	20-Nov-18
230	DSB to draft a user notification and distribute to the PC members for approval prior to sending the notification to the DSB user base	DSB Sec	16-Nov-18
231	DSB to review whether it might be able to release the templates in a manner that allowed for 'optional' adoption ahead of go-live	DSB Sec	04-Dec-18
232	DSB to provide some additional information relating to tenor calculator API and how the service would function	DSB Sec	18-Dec-18
233	PC members to investigate internally as to the use of FX Indices over Swap, Forward and Option instruments	DSB PC	20-Nov-18
234	DSB to revert to the user seeking further information such as a redacted termsheet, etc. to assist the PC in its determinations for instruments with an FX Index	DSB Sec	27-Nov-18
235	DSB to review technology feasibility of early support for field 41 within the cross-asset templates and revert to the PC	DSB Sec	04-Dec-18