

DSB PRODUCT COMMITTEE MEETING MINUTES

Meeting: The 77th DSB Product Committee Meeting

Date: 19-Jun-2018 **Time:** 15.00 – 16.30 BST **Location:** Teleconference

Chairperson: Sassan Danesh, DSB

In attendance:

Committee Members Stephen White, Fidelity Tia Ellerman, Citi Peter Gratwick, JP Morgan Michael Bauch, Allianz Global Investors Joseph Berardo, Intercontinental Exchange	Regulators (Observers) Takahiro Onojima, JSDA Eiichiro Fukase, JSDA DSB Secretariat / PMO Nathan Dagg, DSB Malavika Solanki, DSB
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ANNA Board (observer)

Apologies: Danielle Wissmar, GSAM
Trevor Mallinson, Bloomberg
Bill Stenning, Société Generale

Absences:

No	Topics
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1	Open Actions
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- **Action 190:** Secretariat to publish Challenge Process document for industry consumption. Discussed in today's call. Document to be publish in coming week. Closed.
- **Action 203:** Secretariat to reach out to ISDA to understand their approach and timelines to including the ESTER rate in their definitions and including it into the FpML enumerations list. Closed.
- **Action 204:** DSB to reach out to the ESTER benchmark administrators and an engage with working group or forums where necessary. Closed.
- **Action 205:** Secretariat to evaluate of the Commodity Exotic Template issue timelines to enable the PC to determine next steps. It was noted that due to staff absences, this matter would likely be followed up in 2-4 weeks' time. Closed.
- **Action 206:** PC to review different categories of deprecated values (ISDA deprecated vs Not valid or used) in the DSB's current list of reference rates for Rates products. Closed.

2	CFI Code Standard Revision
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- The DSB provided an update on the work ANNA has been involved with regarding the OTC Derivatives revision of the ISO 10962:2015 CFI Code standard
- The ISO TC68/SC8/WG1 had requested to hear some feedback from the PC in relation to some of the issues currently seen by the DSB in relation to CFI Code Standard, which the revision would help to address
- The DSB provided three scenarios across Credit, Rates and Commodities which related to Underlying Issuer Type, Cash vs Physical and Index vs Multi Commodity respectively
- The PC then discussed each item and had comments for the DSB to take back to the WG1 for review, with a focus on consistency with existing standards and market practice where possible

3	Commodities Multi Exotic Template
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- Following previous week's discussion on feedback provided by as user on the DSB's Multi-Exotic Commodities templates currently in UAT, the DSB question what next steps should be in light of the CFI code revision information available.
 - The PC discussed the best approach for the current templates and requested the DSB to provide some analysis on splitting the current templates out into single commodity and multi commodity templates to allow for easy integration with third-party reference rates at a future date
 - **Action 207:** Secretariat to provide some analysis on creating templates which would represent a single commodity and template which would represent multiple commodity as underliers
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4 ISDA/FpML Reference Rates – non-active entries

- Following previous week's discussion, the PC were asked for their views on how the DSB should handle deprecated or no longer valid (e.g. Telerate) reference rates in the FpML reference rates list which is currently used in the DSB's Rates templates
 - PC discussed that it would be more beneficial to fix the issue at the source and hold a single list, rather than maintaining two lists with active and non-active reference rates
 - PC also discussed the possibility of the DSB create a standing discussion with FpML on impending changes to the FpML lists
 - **Action 208:** DSB to reach out to FpML to understand what would be needed to create a frequent update from FpML of any changes which may occur to their lists across asset classes
 - PC also discussed it would be helpful to understand when particular rates were deprecated and gain an understanding of any business rules being applied
 - **Action 209:** DSB to reached out to FpML to understand when particular rates were deprecated and gain an understanding of any business rules being applied
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5 FpML Cross Asset Class Product Working Group

- The DSB wanted to get the opinion of the PC in relation to joining the FpML Cross Asset Class Product Working Group which was recently announced by FpML recently, as the DSB has a reliance upon FpML for some of its enumerations across each asset class
 - PC comment that whilst the query not directly related to products, the PC felt it would be in the DSB's best interests to stay updated from the WG and it would be beneficial to have the WG periodically update the DSB on outcomes from the meetings
 - **Action 210:** DSB to reached out to FpML and agree a schedule to facilitate period updates from the cross-asset group
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6 Product Committee member replacement

- The DSB advised the PC that a replacement had been found for a member who had recently moved on from their role and advised of the new PC member from the same firm, which would maintain the balance of membership as outlined in the Product Committee Charter
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7 Activity Streams

- **Change Process:** to be published later in the week
 - **ISDA Taskforce:** Secretariat advised that an updated implementation roadmap has been provided to ISDA, which now includes a proposal for all asset classes. The DSB is pending feedback based on the updated proposal and will provide a further update once ISDA has had time to review and feedback.
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AOB

Respectfully submitted,

DSB Secretariat

Minutes Approved on: 29th June 2018

Summary of Open Actions

No	Actions	Owner	Target Date
207	Secretariat to provide some analysis on creating templates which would represent a single commodity and template which would represent multiple commodity as underliers	DSB Sec	03-Jul-18
208	DSB to reach out to FpML to understand what would be needed to create a frequent update from FpML of any changes which may occur to their lists across asset classes	DSB Sec	26-Jun-18
209	DSB to reached out to FpML to understand when particular rates were deprecated and gain an understanding of any business rules being applied	DSB Sec	26-Jun-18
210	DSB to reached out to FpML and agree a schedule to facilitate period updates from the cross-asset group	DSB Sec	17-Jul-18