

DSB PRODUCT COMMITTEE MEETING MINUTES

Meeting: The 174th DSB Product Committee Meeting

Date: 14-Dec-2021 **Time:** 15.00 – 16.30 UTC **Location:** DSB Offices /
Teleconference

Name	PC Role	Institution	Attendance
Harry McAllister	Co-Chair	BNP Paribas	Yes
Joseph Berardo	Co-Chair	Intercontinental Exchange	Apologies
Michael Burg	Product Committee Member	State Street Financial	Yes
Martyn Cole	Product Committee Member	Refinitiv	Yes
Jourik De Lange	Product Committee Member	Smartstream RDU	Apologies
Dawd Haque	Product Committee Member	Deutsche Bank	Yes
Dominic Harth	Product Committee Member	Union Investment Privatfonds GmbH.	Apologies
Uwe Hillnhuetter	Product Committee Member	Tradeweb	Yes
Nicholas Moger	Product Committee Member	J.P Morgan	Yes
Navraj Panesar	Product Committee Member	Citigroup	Absent
Gregg Rapaport	Product Committee Member	DTCC	Absent
Kirston Winters	Product Committee Member	IHS Markit	Yes
Mari Asakura	Regulatory Observer	JSDA	Absent
Davide Panadori Cino	Regulatory Observer	ESMA	Yes
Giulia Ferraris	Regulatory Observer	ESMA	Apologies
Eiichiro Fukase	Regulatory Observer	JSDA	Yes
Dr Olaf Kurpiers	Regulatory Observer	BaFin	Apologies
Frank Lasry	Regulatory Observer	AMF	Apologies
Jean O Bray	Regulatory Observer	FCA	Yes
Alex Stirling	Regulatory Observer	FCA	Yes
Robert Stowsky	Regulatory Observer	CFTC	Yes
Dominik Zeitz	Regulatory Observer	BaFin	Absent
Andrew Bayley	Observer	ISDA	Yes
Lisa Taikitsadaporn	Observer	FIX Trading Community	Yes
Fiona Willis	Observer	GFMA	Apologies
Emma Kalliomaki	DSB Board Sponsor	DSB Board	Yes
Malavika Solanki	DDO	DSB	Apologies
Simon Wiltshire	Alternate DDO	DSB	Yes
Adam Grace	Alternate DDO	DSB	Yes

No Topics

1 Introduction & Agenda

2 Competition Law Reminder

Presented.

3 Review Minutes from Previous Meeting

The prior meeting's minutes were approved and are now considered final.

4 Announcements

N/A

5 Open Actions

485	The DSB are to work with the PC to produce best practice guidance on the treatment of the funding leg in the generation of UPIs.	DDO	OPEN
508	PC to discuss feedback from CFI maintenance agency regarding NDF's on Bitcoin. <i>Update: Awaiting review and feedback from ISO.</i>	DDO	OPEN
511	The DSB to raise the issue of Backwards Compatibility for the OTC ISIN and UPI with the CDIDE for further consideration.	DSB	OPEN
514	This new OTC ISIN status and status reason regarding Orphan ISINs to be reflected in the OTC ISIN status materials. <i>Update expected in Q1 2022.</i>	DDO	OPEN
515	The DSB to revert with a date for PC review of the UPI Status document. <i>Update expected in Q1 2022.</i>	DDO	OPEN
517	The DSB to ask responsible institutions for information concerning the creation of Non-Standard Options without Option Type / Exercise Style. <i>Update: The DSB are yet to receive meaningful and useful feedback from institutions. The DSB are to reach out once again in the new year. Target Date extended to end of Jan 2022.</i>	DDO	OPEN
519	The DSB provide data confirming what underlying asset values were currently being referenced – for each of FX Forwards and FX Options - in the creation of OTC ISINs when using the CFI 2015 standard.	DSB	OPEN
522	The DSB to revert with implementation timelines following completion and sign-off of the change request document.	DDO	OPEN
535	The DSB are to share details regarding how proprietary indexes will be treated and the intended support.	DSB	OPEN
536	The DSB are to share details regarding how proprietary indexes will be treated and the intended support.	DSB	OPEN
537	The DSB organize a session with interested PC Members to review the day 1 UPI workflows to be supported by the DSB	DDO	OPEN
538	The DSB to consider the legal implications of relying on a data provider for UPI underlier ID mapping and to present conclusions to the PC.	DSB	OPEN
539	The DSB to request approval for Security Packages and Alternative IDs from the PC members via email.	DSB	CLOSED

5 Announcements

6-7	Current DSB Tasks	Status	Priority	Med
DSB-8	Review Source of Commodity Index	DSB to continue discussion with Commodity index providers with the aim of having an agreed design and an agreement in principle by end of Q3 2020.	In Prog	Low
DSB-53	Set Maximum Number of Items in Arrays	The system needs to impose a maximum number of input values against each array to protect the system from unvalidated input.	Tech	Med
DSB-62	CFI Code Service	DSB-managed service that will return CFI codes for any OTC derivative products without the associated generation of an ISIN (Analysis Only).	Tech	High
DSB-63	RTS 2 Sub-Asset Class Mapping	To provide a mapping of DSB products to MiFID II (RTS 2) Sub-Asset Class and publication in machine-and human-readable formats (Analysis Only).	In Prog	Low
DSB-67	GUI Search Utility Improvements	To examine how the GUI-based search utility may be improved to allow users to perform searches without search semantic knowledge (Analysis Only).	Tech	Med
DSB-90	Price Multiplier Validation	The Price Multiplier is subject to inconsistent rounding when very large numbers are input (eg: greater than 18 digits).	Tech	Low
DSB-133	Prop Index Process Analysis	Analyse the Proprietary Index management provision to identify efficiency and service improvements.	Tech	High
DSB-370	CFI 2019 Support	Support the updated 2019 ISO Standard for CFI (10962) throughout the DSB product suite.	In Prog	Low
DSB-1076	Structured Email Messages	To allow users to specify the types of DSB notification that they receive.	Sched	Med
DSB-1120	ISDA 2021 New GUI Titles	To provide solution options in implementing ISDA 2021 changes in the GUI to enhance user-experience. <i>Scheduled for release: Jan 2022</i>	Sched	Low
DSB-1132	Search Only User Type	To provide a cost-effective solution for DSB API users who wish to perform searches against the OTC ISIN database in real-time without the ability to create ISINs.	Tech	Med

DSB-1135	Streamline two-step OTC ISIN Streamline process of two-step OTC ISIN generation.(Swaption/FX Swap)	Queue	High
DSB-1410	Evaluate ISO 3166 (2 char) Validation 2-char prefix validation for the entry of underlier instrument ISIN.	Sched	High
DSB-1440	ISIN : OTHER : OTHER : Non Standard Update ISIN Request and Record Template Definition for Other Other Non Standard to align with the UPI requirement.	Tech	Med
DSB-1441	ISIN : OTHER : OPTION : Non Standard Update ISIN Request and Record Template Definition for Other Option Non Standard to align with the UPI requirement.	Tech	Med
DSB-1442	ISIN : OTHER : SWAP : Non Standard Update ISIN Request and Record Template Definition for Other Swap Non Standard to align with the UPI requirement.	Tech	med
DSB-1566	ISO 20022 Mappings Update ISO 20022 Code Mapping for Rates and Non-Standard products in-line with FpML CS. <i>Update: Analysis shared with ISDA & FpML working group. To be shared and discussed by ISDA Cross Asset Working Group in the new year.</i>	In-Prog	TBC
DSB-1571	New Currency Codes Add VED and UYW to the ISO Currency Code Codeset. (all templates)	Sched	High
DSB-1574	Header Attributes Add hierarchy attributes to OTC ISIN Header in preparation for UPI go-live.	Tech	Med

8 UPI : Reference Data Strategy – Securities

Prior to the meeting the DSB shared information detailing the security packages and alternative IDs to be used to support the entry of alternative IDs for security underliers with via email. Members of the PC were asked whether they would like to propose any changes to the securities asset category packages and alternative underlier identifiers that are to be taken forward for presentation to the DSB Board for approval. Since no change proposals were received or expressed during the meeting, the following items are considered to be APPROVED by the PC and the DSB will proceed as follows:

1. Asset Category Packages (for ISIN mapping)

If supported by further detailed analysis, the DSB will the following Asset Category Packages to the DSB Board:

- Bank Loans
- CDO
- CMO, CMBS, RMBS, ABS
- Corporate Bonds
- Equities and Equity Options

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- Mutual Funds
 - Futures
 - Government Bonds (inc. Supras, Agency, Non-US Munis, Treasury)
 - Mortgages
 - Municipal Bonds (US)
2. Alternative Underlier Identifiers (for ISIN mapping)
- If supported by further detailed analysis, the DSB will the following Alternative Underlier Identifiers to the DSB Board:
- CUSIP
 - SEDOL
 - RIC
 - Bloomberg Ticker
 - FIGI
 - Valoren

A concern was raised by a member of the PC regarding the duplication of some Bloomberg Indices. This point was noted and the DSB will be considered during further analysis.

9 UPI : CDIDE Review – Summary

Following the CDIDE sharing its feedback on the UPI Product Templates where the CDIDE clarified the main requirements.

1. New Product Templates

The CDIDE have proposed the implementation of 11 new UPI templates. The DSB will provide an outline of each (including attributes, underliers, derivation, normalization and OTC ISIN impact) for presentation to the PC.

2. Product Classification

The CDIDE have asked for clarification of the required UPI support for a number of products. The DSB will present the details of these questions to the PC for guidance and next steps.

3. Product Naming

The CDIDE have asked for two products to be considered for re-naming by the PC in order to provide clarity to the user community.

4. Underlier Source ID

The CDIDE have asked the DSB to evaluate the impacts of implementing the Underlier ID / Underlier ID Source structure in the UPI Record templates.

5. Reference Data Strategy: Terms of Reference

The CDIDE have proposed an addition to the Terms of Reference document to ensure that a process for the implementation of new candidate underliers is considered and documented.

The DSB will request supporting data (e.g.: usage metrics, examples and term sheets) for the proposed new products from the CDIDE. >**Action541**.

10 DSB-974 : Contract Specification – Metrics

The DSB presented the PC metrics highlighting the usage of the new Contract Specification attribute made available in a number of Single Name CDS templates in the last release.

11 OTC ISIN Volumes for the New FROs

The DSB presented key metrics highlighting the usage of the 151 new FROs release since Sep 21.

AOB

Respectfully submitted,

DSB Secretariat

Minutes Approved on: 11/12/2021

Summary of Open Actions		Owner	Target Date
485	The DSB are to work with the PC to produce best practice guidance on the treatment of the funding leg in the generation of UPIs	DDO	TBC
508	PC to discuss feedback from CFI maintenance agency regarding NDF's on Bitcoin.	DDO	TBC
511	The DSB to raise the issue of Backwards Compatibility for the OTC ISIN and UPI with the CDIDE for further consideration.	DDO	24-Aug-21
514	This new OTC ISIN status and status reason regarding Orphan ISINs to be reflected in the OTC ISIN status materials.	DDO	TBC
515	The DSB to revert with a date for PC review of the UPI Status document.	DDO	TBC
517	The DSB to ask responsible institutions for information concerning the creation of Non-Standard Options without Option Type / Exercise Style.	DDO	19-Oct-21
519	The DSB provide data confirming what underlying asset values were currently being referenced – for each of FX Forwards and FX Options - in the creation of OTC ISINs when using the CFI 2015 standard.	DSB	02-Nov-21
522	The DSB to revert with implementation timelines following completion and sign-off of the change request document	DSB	TBC
535	The DSB are to share details regarding how proprietary indexes will be treated and the intended support.	DSB	TBC
536	The PC to discuss whether a FRO value of “Other” needed to be introduced by the DSB to support the reporting of Rates related products executed on values other than those in the current DSB golden source list.	DSB	TBC
537	The DSB organize a session with interested PC Members to review the day 1 UPI workflows to be supported by the DSB	DDO	TBC
538	The DSB to consider the legal implications of relying on a data provider for UPI underlier ID mapping and to present conclusions to the PC.	DSB	TBC
540	The DSB to request supporting data (e.g.: usage metrics, examples and term sheets) for the proposed new products from the CDIDE.	DSB	25-Jan-21

Summary of New or Updated DSB Tasks		Status	Priority
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