

DSB PRODUCT COMMITTEE MEETING MINUTES

Meeting: The 124th DSB Product Committee Meeting

Date: 01-Oct-2019 **Time:** 15.00 – 16.30 UTC **Location:** DSB Offices /
Teleconference

Chairs: Harry McAllister, BNP Paribas

Attendees:

Voting Members

Michael Burg, State Street Financial
Tia Ellerman, Citigroup
Uwe Hillnhuetter, Tradeweb
Adam Lister, Bloomberg
Jonah Platt, Citadel
Ben Scofield, Refinitiv
Jay Shotton, JP Morgan
Kirston Winters, MarkitSERV

Non-Voting Members

David Broadway, The IA
Vincent Dessard, EFAMA
Karel Engelen, ISDA
Olaf Kurpiers, BaFin
Fiona Willis, GFMA

Observers

David Olgilvie-Forbes, FCA
Eiichiro Fukase, JSDA
Emma Kalliomaki, DSB Board

Designated DSB Officer

Malavika Solanki, DSB

**DSB Secretariat /
Alternate DDOs**

Simon Wiltshire, DSB
Nathan Dagg, DSB

Apologies: Rene Muller, HSH Nordbank
Jim Northey, FIX TC

Absences: Joseph Berardo, Intercontinental Exchange
Jourik De Lange, Smartstream RDU
Maros Oberman, 42 Financial Services
Michael Sandro Bauch, Allianz Global Investors

No Topics

1 Introduction & Agenda

2 Competition Law Reminder

- Presented
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3 Review Minutes from Previous Meeting

- No comments were received and so the minutes for 03-Sep-2019 and 17-Sep-2019 are considered final.
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4 Open Actions

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- **Action 308:** The setting of Term of Contract for products with differing Effective Dates on the Fixed and Floating legs is to be included on the agenda for the next PC meeting, following feedback from ESMA. **Open.**
 - **Action 334:** The DSB to contact ESMA about the impact of FX Swap Delivery Type on mapping existing ISIN submissions and users post implementation change. **Open**
 - **Action 335:** DSB to update FAQ documentation to include a summary of the approach to the FX Forward and the Place of Settlement. **Closed.**
 - **Action 337:** The DSB to publish the Rates Fixed-Float Delivery Type analysis on its blog page and share with ESMA. **Open.**
 - **Action 338:** The DSB to produce a one-page summary of its Rates Fixed-Float Delivery Type analysis to share with trade associations. **Open.**
 - **Action 339:** The DSB will proceed with the development and deployment of a Rates.Option.Inflation Cap Floor template. **Open.**
 - **Action 340:** DSB to redistribute list of known Commodity Index providers to the PC to help facilitate their internal. **Closed.**
 - **Action 341:** PC members are asked to provide the DSB with the names/identifiers of the Commodity Indices used in their organisations along with the name of the index provider and their contact details. **Closed.**
 - **Action 342:** DSB to distribute the name and details of the new Reference Rate to the PC and update user notifications, once the ISDA confirmation is received. **Closed.**
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5 Announcements

- The PC provided an update on the Field 41 release including an indication of the number of ISINs created since implementation (22-Sep-2019).
 - **Action 343:** DSB to provide a breakdown of pre- and post-implementation metrics for Term of Contract / Field 41 ISIN creation.
 - An issue was raised concerning the treatment of the Effective Date in the newly deployed functionality. This attribute may be supplied in the creation of an ISIN but is not stored by the DSB since it does not form a part of the ISIN granularity.
 - **Action 344:** ISDA to set up a conference call to discuss the treatment of the Effective Date in the newly deployed Term of Contract / Field 41 functionality.
 - The PC provided an update on the release of the EUR-EuroSTR-COMPOUND Reference Rate into the Production environment including an indication of the number of ISINs created since implementation (29-Sep-2019).
 - The meeting welcomed the new non-voting member who will represent BaFin on the Product Committee.
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6 UPI Analysis (Commodities)

- The UPI Analysis for the Commodities asset class was presented to the PC.
 - **Action 345:** DSB to send out a summary of the UPI and ISIN Commodity classifications to all members of the PC.
 - As a part of the discussion, it was noted the CFI 2019 document had been published by ISO on 30-Sep-2019.
 - **Action 346:** DSB to send out an ISO website link to the CFI 2019 document to all members of the PC.
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7 Commodity Indices

- The list of Commodity Indices / Index Providers was presented to the PC. In order to progress this issue, the PC agreed that the Commodities Taskforce should be reconvened with the aim of determining the appropriate course of action. It was agreed that the
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Taskforce should aim to include institutions from the Buy Side, Sell-Side, Trade Associations and Venues.

- **Action 347:** DSB to send an invite for participation in a reconvened Commodities Taskforce to all DSB Users and PC Members.

8 Action 335: FX Forward Settlement Date

- The DSB presented a summary of the approach to FX Forwards and Place of Settlement – as agreed by the PC at a previous meeting – which is to be included on the DSB Website FAQ page.
- The PC made a small adjustment to the text – clarifying the term “Non-Deliverable” – which is to be incorporated into the text.
- **Action 348:** DSB to send the revised text for FX Forward (Settlement Date) to all PC members for approval before publication on the DSB website.

9 FX Forward : Expiry Date

- The PC was asked whether any members were aware of any industry guidance that exists in relation to whether the Fixing Date or Settlement Date should be used for the Expiry Date attribute when reporting FX Forwards or Non-Deliverable FX Forwards (NDFs).
- The PC agreed that for FX Forwards or Non-Deliverable FX Forwards (NDFs), the Settlement Date should be used to populate the Expiry Date attribute when generating / retrieving an FX Forward or Non-Deliverable FX Forward ISINs as it was chronologically later as fixing would occur ahead of any settlement.
- **Action 349:** DSB to send the proposed text for FX Forward (Expiry Date) to all PC members for approval before publication on the DSB website.
- In addition, the PC asked for the previously discussed text concerning the setting of the Expiry Date for FRAs to be distributed to the PC for approval.
- **Action 350:** DSB to send the proposed text for FRA (Expiry Date) to all PC members for approval before publication on the DSB website.

10 Confirm proposed DSB response to regulators query on OTC Crypto

- The PC discussed a query from a regulator regarding the issue of support for ISINs for OTC derivatives on Crypto-Assets - including the possibility of introducing a flag within the “Other” asset class that would allow for the identification of such products.
- The PC agreed that the DSB should take no further action concerning support for OTC derivatives on Crypto-Assets until further information became available as the overall number of “Other.Other” instruments was de minimis and the proposed additional data point would allow the DSB to quantify the number of OTC crypto-derivatives, without providing any associated context, until such time as further guidance from regulators and standards bodies became available.

11 Consultation Paper : Review of New PC related initiatives

- The PC was given the opportunity to review the following PC-related non-BAU items from the recent Consultation process.
 1. **Standalone CFI Service** (Analysis Only)
The PC agreed that workflow analysis for this item should be scheduled for Q2 2020 and data analysis should be scheduled for Q3 2020.
 2. **MiFID II (RTS 2) Mapping** (Analysis Only)
 3. **LEI for Single Name CDS** (Analysis Only)
 4. **Index Name to Underlying Identifier Mapping** (Analysis only)

12 Product Release Status

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- The DSB presented the release schedule status for:
 1. 22 September 2019 Release: Field 41 etc.
 2. 29 September 2019 Release: EuroSTR Reference Rate.
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11 AOB

- The meeting agreed that the analysis regarding the Rates Fixed-Float Delivery Type can be published on the DSB blog page and can be shared with ESMA. It was suggested that a footnote should be added concerning the publication of CFI 2019 since the adoption of this standard will impact the values in the Rates Delivery Type attribute.
 - It was noted that the TAC SSC was currently working towards the publication of an interim workflow specification for the UPI service which will include questions that are to be put before the PC. It is currently expected that this report is will be published by the end of October 2019.
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Respectfully submitted,

DSB Secretariat

Minutes Approved on: Tuesday 29th October 2019

Summary of Open Actions

No	Actions	Owner	Target Date
308	The setting of Term of Contract for products with differing Effective Dates on the Fixed and Floating legs is to be included on the agenda for the next PC meeting.	DSB Sec	14-May-19
334	The DSB to contact ESMA about the impact of FX Swap Delivery Type on mapping existing ISIN submissions and users post implementation change.	DSB Sec	23-Jul-19
339	The DSB will proceed with the development and deployment of a Rates.Option.Inflation Cap Floor template.	DSB Sec	29-Oct-19
343	DSB to provide a breakdown of pre- and post-implementation metrics for Term of Contract / Field 41 ISIN creation.	DSB Sec	15-Oct-19
344	ISDA to set up a conference call to discuss the treatment of the Effective Date in the newly deployed Term of Contract / Field 41 functionality.	ISDA	15-Oct-19
345	DSB to send out a summary of the UPI and ISIN Commodity classifications to all members of the PC.	DSB Sec	15-Oct-19
346	DSB to send out an ISO website link to the CFI 2019 document to all members of the PC.	DSB Sec	15-Oct-19
347	DSB to send an invite for participation in a reconvened Commodities Taskforce to all DSB Users and PC Members	DSB Sec	15-Oct-19
348	DSB to send the revised text for FX Forward (Settlement Date) to all PC members for approval before publication on the DSB website.	DSB Sec	15-Oct-19
349	DSB to send the proposed text for FX Forward (Expiry Date) to all PC members for approval before publication on the DSB website.	DSB Sec	15-Oct-19
350	DSB to send the proposed text for FRA (Expiry Date) to all PC members for approval before publication on the DSB website.	DSB Sec	15-Oct-19