

DSB PRODUCT COMMITTEE MEETING MINUTES

Meeting:	The 136 th DSB Product Committee Meeting				
Date:	07-Apr-2020	Time:	15.00 – 16.30 UTC	Location:	DSB Offices / Teleconference
Chairs:	Harry McAllister, BNP Paribas Joseph Berardo, Intercontinental Exchange				
Attendees:	Voting Members Jourik De Lange, Smartstream RDU Uwe Hillnhuetter, Tradeweb Adam Lister, Bloomberg L.P. Gregg Rapaport, DTCC Jay Shotton, JP Morgan Kirston Winters, MarkitSERV	Non-Voting Members David Broadway, The IA Karel Engelen, ISDA Fiona Willis, GFMA	Observers Emma Kalliomaki, DSB Board Ayo Fashina, FCA Eiichiro Fukase, JSDA Robert Stowsky, CFTC	Designated DSB Officer Malavika Solanki, DSB	DSB Secretariat / Alternate DDOs Simon Wiltshire, DSB Nathan Dagg, DSB Adam Grace, DSB
Apologies:	Michael Burg, State Street Financial Rene Muller, Hamburg Commercial Bank AG Maros Oberman, 42 Financial Services Ben Scofield, Refinitiv Olga Petrenko, ESMA Vincent Dessard, EFAMA				
Absences:	Tia Ellerman, Citigroup Jonah Platt, Citadel Michael Sandro Bauch, Allianz Global Investors Jim Northey, FIX TC Olaf Kurpiers, BaFIN				

No	Topics
1	Introduction & Agenda
2	Competition Law Reminder
	Presented
3	Review Minutes from Previous Meeting
	The minutes for the prior meeting are considered final.

4 Announcements

Product Release Freeze : Current Status

The DSB has implemented a change freeze from midnight on Friday 20th March. This means that there will be no non-essential enhancements made to the DSB services. The DSB may implement critical defect fixes or other critical changes, but these will be subject to additional governance and controls, with users supported by timely communication to aid their preparations.

This position will be reassessed on 10th April 2020.

OTC ISIN Creation and Search Highlights

Analysis on the create and search requests as well as the breakdown of the create request by product type were presented to the PC.

5 Open Actions

368	The ISDA Symbology Group are to report back on industry consensus for the publication of new Reference Rates relating to €STR. <i>No Update from ISDA. Action to be reviewed again at the next meeting</i>	OPEN
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376	ISDA to inform the PC of the details of the proposed Turkish OIS Reference Rate <i>No Update from ISDA. Action to be reviewed again at the next meeting</i>	OPEN
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377	DSB to publish Terms of Reference for the 2020 Industry Consultation Product Tasks to members of the PC	OPEN
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385	DSB to reach out to ISO to in order to understand the means by which the DSB will be notified of updates to the BenchmarkCurveNameCode. <i>The DSB has written to ISO and is awaiting a response</i>	OPEN
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388	The DSB were asked to share details of the new Credit Indices with the PC via email with a request for members to provide estimated volumes	CLOSED
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389	The DSB are asked to provide volume figures for the Non-Standard Option products impacted by the proposed change.	CLOSED
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390	The DSB to distribute the full CFI 2015 / 2019 gap analysis to the PC	CLOSED
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391	The DSB to redistribute the summary Terms of Reference for the CFI Service along with the reworded questions concerning the detailed project scope and user access	CLOSED
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392	The DSB to provide regulators with an update of the gap analysis presented to the PC	OPEN
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6 New Issues

No new issues to present

7 Industry Consultation Tasks

Analysis for DSB-62 was presented to the PC. **See section 12**

All other Industry Consultation Tasks are currently being reviewed by the DSB and the Terms of Reference are not yet available for publication. **Action 377.**

8-10	Current DSB Tasks	Status	Priority
DSB-12	New Template : Inflation Cap Floor Release a new template for Inflation CapFloor products in line with the ISDA 2.0 taxonomy. <i>Currently being considered for a release schedule</i>	Sched	Med
DSB-48	Equity Option : Strike Price Type Equity Options do not include a qualification for the Strike Price that defines the type of Strike Price that has been entered -eg: Price, Percentage, BP, Yield or Other.	Tech	High
DSB-52	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	Low
DSB-54	Last Updated Date Time Required Ensure that the LastUpdateDateTime attribute is marked as "Required" on all product templates	Tech	Low
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).	Analysis	High
DSB-88	Strike Price Validation The validation of Strike Price is expected to vary depending upon the setting of the Strike Price Type (see above).	Tech	High
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	Med
DSB-139	CFI Codes for Equity Options It is currently possible for an Equity Option to generate a CFI code in which the 4 th character is set to "X" (eg: HESXMC)	Tech	High
DSB-152	ESTR ISO 20022 Mapping for RTS23 Support mapping of EUR-EuroSTR-COMPOUND Ref. Rate to an ISO20022 4-char code in order to satisfy the ESMA guidance for RTS23. <i>Moved to Technical Design</i>	Tech	High

DSB-153	New FpML Reference Rates The following Ref Rates have been added to the latest FpML Coding Scheme and are to be added to the DSB templates: USD Swap Rate-BCMP1; USD Treasury Rate-BCMP1. <i>Currently being considered for a release schedule</i>	Sched	High
DSB-154	Turkish Lira Reference Rate The DSB has been made aware of the imminent release of a Turkish Reference Rate -to be included in DSB templates once the FpML Coding Schema has been updated.	Queue	Low
DSB-234	CFI 2015 vs 2019 Gap Analysis Identify any gaps between the CFI 2015 and CFI 2019 in order to assess the impact on the DSB when the new version is adopted.	Analysis	Med
DSB-326	Update File Download ISINs Due to technical issues, some DSB ISINs have not been published to EoDFLD after creation. These ISINs are to be added to the download and the Status Document updated.	Analysis	Med
DSB-333	New Credit Indices Request to add a number of underlying Credit Indices to the Credit and Cross Asset templates	Analysis	High

11 Highlights of FIRDS Analysis for y/e 2019

Presented to the PC

12 DSB-62 : CFI Code Service (Analysis)

The analysis work was presented to the PC members by the DSB. PC members were asked to approve three actions to allow the DSB able to construct a proposal for the most appropriate form of CFI service;

1. Approve the project Terms of Reference
2. Approve the products in scope for the CFI Code service or to provide details of any OTC derivative products that are covered by the EMIR reporting requirements but not included in the definition presented.
3. To agree the “attribute sets” that would be most appropriate for the proposed CFI service.

The meeting expressed the view that the scope of the proposed service should be limited to “OTC derivatives that would fall within the remit of the DSB for ISIN assignment” and should not be extended to include ETDs traded on 3rd Country Exchanges. However, PC members requested time to allow further consideration of the analysis before approval and asked for the organisations that supported the service during the Industry Consultation process to be contacted for their views.

The DSB to redistribute the analysis and questions concerning the proposed CFI Service to the PC members. >Action 393

The DSB to reach out to the parties that supported the CFI Code Service as part of the Industry Consultation in order to collect their requirements regarding the product scope. >Action 394

13 DSB-139 : Non-Standard Option

The analysis work was presented to the PC members and they were asked to approve the general principle and specific change requests presented, specifically the change details and backwards compatibility.

The DSB to redistribute the analysis and questions regarding Option Type/Style for Non-Standard Options to the PC members. >Action 395

The DSB to reach out to the main parties responsible for the creation of Non-Standard Options with no Option Type/Style in order to understand the possible impact of the proposed change. >Action 396

14 ISO Reference Rate (ESTR etc)

The proposed text to be included in the Product definitions document explaining the methodology of the change.

The DSB to distribute the proposed ISO Reference Rate text to members of the PC for sign off. >Action 397

15 File Download Correction

Proposed changes to the ISIN Status Document presented to the PC members.

The changes to the ISIN Status Document were approved by the PC and publication will be coordinated with the implementation of the technical change

AOB

No AOB items raised.

Respectfully submitted,

DSB Secretariat

Minutes Approved on:

Summary of Open Actions		Owner	Target Date
368	The ISDA Symbology Group are to report back on industry consensus for the publication of new Reference Rates relating to €STR.	ISDA	07-Apr-20
376	ISDA to inform the PC of the details of the proposed Turkish OIS Reference Rate	ISDA	07-Apr-20
377	DSB to publish Terms of Reference for the 2020 Industry Consultation Product Tasks to members of the PC	DSB Sec	24-Mar-20
385	DSB to reach out to ISO to in order to understand the means by which the DSB will be notified of updates to the BenchmarkCurveNameCode.	DDO	24-Mar-20
392	The DSB to provide regulators with an update of the CFI 2015/2019 gap analysis presented to the PC.	DDO	21-Apr-20
393	The DSB to redistribute the analysis and questions concerning the proposed CFI Service to the PC members	DSB Sec	21-Apr-20
394	The DSB to reach out to the parties that supported the CFI Code Service as part of the Industry Consultation in order to collect their requirements regarding the product scope.	DSB Sec	21-Apr-20
395	The DSB to redistribute the analysis and questions regarding Option Type/Style for Non-Standard Options to the PC members	DSB Sec	21-Apr-20
396	The DSB to reach out to the main parties responsible for the creation of Non-Standard Options with no Option Type/Style in order to understand the possible impact of the proposed change.	DSB Sec	21-Apr-20
397	The DSB to distribute the proposed ISO Reference Rate text to members of the PC for sign off.	DSB Sec	21-Apr-20

Summary of New or Updated DSB Tasks		Pty	Priority