

## DSB PRODUCT COMMITTEE MEETING MINUTES

**Meeting:** The 118<sup>th</sup> DSB Product Committee Meeting

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**Date:** 09-Jul-2019      **Time:** 15.00 – 16.30 UTC      **Location:** DSB Offices /  
Teleconference

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**Chairs:** Joseph Berardo, Intercontinental Exchange

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**Attendees:**      **Voting Members**

Michael Burg, State Street Financial  
Tia Ellerman, Citigroup  
Uwe Hillnhuetter, Tradeweb  
Rene Muller, HSH Nordbank  
Jonah Platt, Citadel  
Ben Scofield, Refinitiv  
Jay Shotton, JP Morgan  
Kirston Winters, MarkitSERV

**Non-Voting Members**

David Broadway, The IA

**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

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**Apologies:** Harry McAllister, BNP Paribas  
Jourik De Lange, Smartstream RDU  
Vincent Dessard, EFAMA  
Karel Engelen, ISDA  
Jim Northey, FIX TC

**Absences:** Adam Lister, Bloomberg  
Maros Oberman, 42 Financial Services  
Michael Sandro Bauch, Allianz Global Investors  
Fiona Willis, GFMA

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**No    Topics**

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**1    Introduction & Agenda**

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**2    Competition Law Reminder**

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- Presented
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**3    Review Minutes from Previous Meeting**

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- No comments were received and minutes are now 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.**
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- **Action 324:** ISDA to confirm date on which new reference rate names(s) would be confirmed for use by the DSB development team. **Open.**
  - **Action 325:** DSB to provide details of the impact of a change to the Delivery Type mapping for FX Swaps on existing ISINs (based on both 2015 and 2019 CFI revisions). **Closed.**
  - **Action 326:** DSB to provide the output of analysis of Rates Delivery Type being created in the DSB and that submitted to FIRDS since the ESMA Q&A published in September 2018. **Closed.**
  - **Action 328:** DSB to present the full details of the proposed Equity Option: Strike Price Type change to the PC. **Closed.**
  - **Action 329:** DSB to present the Best Practice Guideline for iBOXX TRS templates to the PC for approval. **Closed.**
  - **Action 331:** The DSB are to present a summary of the current support for Delivery Type and Settlement Ccy within the FX templates. **Open.**
  - **Action 332:** The DSB are to present possible approaches (and possible impact) to the support of Place of Settlement within the FX templates. **Open.**
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## 5 Index/Series on Credit TRS

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- The PC agreed the presented best practice guidelines for the treatment of Credit Derivatives where the underlying index does not have a series, version or term.
  - The PC was unable to agree the value to be used for Underlying Instrument Index Term / Unit and so this attribute will not be included in the Best Practice guidelines.
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## 6 November 2019 : Release Candidates

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- The PC agreed the proposed release plan for November, which would include a new Rates Inflation Basis YoY swap.
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## 7 Equity Options : Strike Price Type

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- The DSB presented the agreed changes to the Equity templates. PC members agreed that it would be useful for users to be notified of the upcoming change early, but a reminder notification should be sent later in the year (September/October) closer to when most firms will be looking to at 2020 roadmaps and resource allocation for any changes.
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## 9 Interest Rates : Delivery Type Analysis

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- The DSB presented analysis of Rates Delivery Type being created in the DSB and that submitted to FIRDS since the ESMA Q&A published in September 2018. Analysis showed ISIN creation by delivery type and delivery type being submitted to FIRDS
  - PC members discussed the analysis and commented that some of the FIRDS data may have been impacted by some of the normalisation applied by ESMA of relevant MIC and record owner, as the analysis showed an increase in the submission of Cash and decrease of Physical, which was contrary to the information provided by ESMA
  - PC commented that further analysis should be conducted on delivery type submitted to FIRDS and on the trend of user creation of delivery type
  - **Action 333:** The DSB to conduct further analysis on the IRS Delivery Type submitted to FIRDS in comparison to DSB ISINs – broken down by User Type and Currency.
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## 10 FX Swap : Delivery Type

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- The DSB provided an overview of FX Swap delivery type analysis conducted to see whether the mapping of CFI 2015 to RTS 23 Delivery Type should be amended for FX Swaps and Non-Deliverable Swaps. Analysis showed that a small percentage of ISIN
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creation with OPTL (Non-Deliverable) for FX Swap and NDSs ISINs have been created. Further analysis of FIRDS data showed a small percentage of OPTL ISINs submitted to FIRDS.

- PC members discussed the analysis and confirmed the principle that the mapping of the CFI 2015 Delivery Type of “Non-Deliverable” should be amended from “OPTL” to “CASH”.
- PC members also noted that considerations should be made for the ISINs that have already been submitted to FIRDS, given there have been ISINs submitted with the OPTL value
- **Action 334:** The DSB to contact ESMA about the impact of FX Swap Delivery Type mapping on existing ISIN submissions and users post implementation change
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## **11 UPI Analysis : Commodities**

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- Item held over a meeting was no longer quorate

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## **12 AOB**

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- Item held over a meeting was no longer quorate
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Respectfully submitted,

DSB Secretariat

Minutes Approved on: 23<sup>rd</sup> July 2019

## Summary of Open Actions

<b>No</b>	<b>Actions</b>	<b>Owner</b>	<b>Target Date</b>
<b>308</b>	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
<b>324</b>	ISDA to confirm date on which new reference rate names(s) would be confirmed for use by the DSB development team.	ISDA	08-Sep-19
<b>325</b>	DSB to provide details of the impact of a change to the Delivery Type mapping for FX Swaps on existing ISINs (based on both 2015 and 2019 CFI revisions).	DSB Sec	09-Jul-19
<b>326</b>	DSB to provide the output of analysis of Rates Delivery Type being created in the DSB and that submitted to FIRDS since the ESMA Q&A published in September 2018.	DSB Sec	23-Jul-19
<b>328</b>	DSB to present the full details of the proposed Equity Option: Strike Price Type change to the PC.	DSB Sec	23-Jul-19
<b>329</b>	DSB to present the Best Practice Guideline for iBOXX TRS templates to the PC for approval.	DSB Sec	09-Jul-19
<b>331</b>	The DSB are to present a summary of the current support for Delivery Type and Settlement Ccy within the FX templates.	DSB Sec	23-Jul-19
<b>332</b>	The DSB are to present possible approaches (and possible impact) to the support of Place of Settlement within the FX templates.	DSB Sec	23-Jul-19