

N-TRS

Information meeting
Copenhagen 26 April
Stockholm 27 April



1. Data quality issues
2. Changes – an overview
 - Background
 - Changes taking effect December 1st 2010
3. Changes overview
 - Technical information
4. OTC derivatives
 - Background
 - New schema
 - Time plan
5. AOB

Agenda

Data quality issues

Common errors

- Venue Identification
 - Regulated Market MIC used instead of MIC of MTF
 - XOFF used instead of the MTF's MIC
- Incorrect Venue reference transaction number
- Timestamps are inaccurate or being reported in wrong time zones

Data quality (locally)

MIC	Description
<ul style="list-style-type: none"> ◦ XSAT ◦ FNSE ◦ NMTF 	AKTIETORGET FIRST NORTH NORDIC MTF
<ul style="list-style-type: none"> ◦ BURG 	BURGUNDY NORDIC MTF

Data quality (locally)

- General remarks: Validate your reports and feedback files. The responsibility lies on the reporting party – not the tech.
- System related errors can easily be avoided by validating a random sample.
- Send questions to: markets@fi.se

Data quality (locally)

Changes – an overview

- TREM 3.0 changes
 - New features of the initial TREM core system
 - Reception and usage of new reference data
 - OTC derivatives transaction reports – reception

Background

- Client names on all transaction reports
(Only Denmark)

Changes taking effect Dec 2010



FINANSSIVALVONTA
FINANSINSPEKTIONEN
FINANCIAL SUPERVISORY AUTHORITY



fme
Fjármálaeftirlitið



FINANSTILSYNET
THE FINANCIAL SUPERVISORY
AUTHORITY OF NORWAY



Technical changes

- Feedback schema will change. Errorcodes will be removed. Errorcodes will be announced on web-site (for the relevant Competent Authority).
- Transaction schema: minor change for AII product codes: will now allow '+' in the product code.
- More strict validation

Technical information

Validations for Client, Counter party, Trading Venue and Reporting Party is done per transactions trading date

Existing Error Codes	Abbreviated from
IVI	InvalidVenueIdentification
IPN	InvalidPriceNotation
ICC	InvalidCustomer/Client
ICPC	InvalidCounterPartyCode

Error codes changes

Error Code	Text
IRFTD	InvalidReportingFirmTradingDate <i>Reporting firm is invalid for trading date of transaction.</i>
VII	VenueInconsistantInstrument <i>The trading venue is not consistent with the instrument codifications. Trading Venue (All market or not) match transactions instrument id type</i>
IPNIT	InvalidPriceNotationInstrumentType <i>The currency code is invalid for instrument type. Only debt instruments can use pre-euro currencies</i>

New error codes

- Fourteen new validations for instruments
- Three of them are restrictions of what fields are not accepted/mandatory
- Seven of them are restrictions of what fields are not accepted/mandatory for an instrument type.
- Three of them are restrictions on combinations of field contents for an instrument
- Market of admittance (AII market or not) match transactions instrument id type (ISIN or AII)

New Validations for Instruments



- Local schemas and ErrorCode documentation will be found at www.fi.se

Further Information



FINANSSIVALVONTA
FINANSINSPEKTIONEN
FINANCIAL SUPERVISORY AUTHORITY



fme
Fjármálaeftirlitið



FINANSTILSYNET
THE FINANCIAL SUPERVISORY
AUTHORITY OF NORWAY



OTC derivatives

- Purpose is to detect market abuse and maintain the integrity of the market
- CESR chairs approval May 2009
- CESR consultations on identification, classification and guidance to report transactions on OTC derivative instruments (ended 1 April 2010)
- Other initiatives are running in parallel in this area

Background

- OTC derivatives:
 - Options
 - Warrants
 - Futures
 - CfDs & TRS
 - Spreadbets
 - Swaps (except CfDs, TRS and CDS)
 - CDS
 - Complex derivatives

Background

- Transactions in OTC derivatives that must be reported:
 - CDS on single issuer
 - Swap between performance of index and a single stock on a given date
 - Swap between performance of two different stocks

Background

- Schema from CESR in a near future so more to come later
- OTC derivative specific requirement:
 - Instrument id: ISIN of the ultimate equity or bond (eg. option on a future on a share, this is the ISIN of the share)
 - Expiration date: if multiple expiration dates, the latest expiration date should be populated

New schema

- Unit price: market practice is the premium
- CDS Markit red code (at least at start)

New schema

- Expected go live date 1. March 2011
- 6 months for the industry to implement
- Information meeting at the latest in September 2010

Time plan

AOB

