



Eurex Clearing's Securities CCP

Release Notes

**© Eurex 2019**

Deutsche Börse AG (DBAG), Clearstream Banking AG (Clearstream), Eurex Frankfurt AG, Eurex Clearing AG (Eurex Clearing) and Eurex Repo GmbH (Eurex Repo) are corporate entities and are registered under German law. Clearstream Banking S.A. is a corporate entity and is registered under Luxembourg law. Deutsche Boerse Asia Holding Pte. Ltd., Eurex Clearing Asia Pte. Ltd. and Eurex Exchange Asia Pte. Ltd are corporate entities and are registered under Singapore law. Eurex Frankfurt AG (Eurex) is the administrating and operating institution of Eurex Deutschland. Eurex Deutschland is in the following referred to as "Eurex Exchange".

All intellectual property, proprietary and other rights and interests in this publication and the subject matter hereof (other than certain trademarks and service marks listed below) are owned by DBAG and its affiliates and subsidiaries including, without limitation, all patent, registered design, copyright, trademark and service mark rights. While reasonable care has been taken in the preparation of this publication to provide details that are accurate and not misleading at the time of publication DBAG, Clearstream, Eurex, Eurex Clearing, Eurex Repo as well as Eurex Exchange and their respective servants and agents (a) do not make any representations or warranties regarding the information contained herein, whether express or implied, including without limitation any implied warranty of merchantability or fitness for a particular purpose or any warranty with respect to the accuracy, correctness, quality, completeness or timeliness of such information, and (b) shall not be responsible or liable for any third party's use of any information contained herein under any circumstances, including, without limitation, in connection with actual trading or otherwise or for any errors or omissions contained in this publication.

This publication is published for information purposes only and shall not constitute investment advice respectively does not constitute an offer, solicitation or recommendation to acquire or dispose of any investment or to engage in any other transaction. This publication is not intended for solicitation purposes but only for use as general information. All descriptions, examples and calculations contained in this publication are for illustrative purposes only.

Eurex and Eurex Clearing offer services directly to members of Eurex Exchange respectively to clearing members of Eurex Clearing. Those who desire to trade any products available on the Eurex market or who desire to offer and sell any such products to others or who desire to possess a clearing license of Eurex Clearing in order to participate in the clearing process provided by Eurex Clearing, should consider legal and regulatory requirements of those jurisdictions relevant to them, as well as the risks associated with such products, before doing so.

Only Eurex derivatives that are CFTC-approved may be traded via direct access in the United States or by United States persons. A complete, up-to-date list of Eurex derivatives that are CFTC-approved is available at: <http://www.eurexexchange.com/exchange-en/products/eurex-derivatives-us>. In addition, Eurex representatives and participants may familiarise U.S. Qualified Institutional Buyers (QIBs) and broker-dealers with certain eligible Eurex equity options and equity index options pursuant to the terms of the SEC's July 1, 2013 Class No-Action Relief. A complete, up-to-date list of Eurex options that are eligible under the SEC Class No-Action Relief is available at: <http://www.eurexexchange.com/exchange-en/products/eurex-derivatives-us/eurex-options-in-the-us-for-eligible-customers>. Lastly, U.S. QIBs and broker-dealers trading on behalf of QIBs may trade certain single-security futures and narrow-based security index futures subject to terms and conditions of the SEC's Exchange Act Release No. 60,194 (June 30, 2009), 74 Fed. Reg. 32,200 (July 7, 2009) and the CFTC's Division of Clearing and Intermediary Oversight Advisory Concerning the Offer and Sale of Foreign Security Futures Products to Customers Located in the United States (June 8, 2010).

**Trademarks and Service Marks**

Buxl®, DAX®, DivDAX®, eb.rexx®, Eurex®, Eurex Repo®, Eurex Strategy WizardSM, Euro GC Pooling®, FDAX®, FWB®, GC Pooling®, GCPI®, MDAX®, ODAX®, SDAX®, TecDAX®, USD GC Pooling®, VDAX®, VDAX-NEW® and Xetra® are registered trademarks of DBAG.

All MSCI indexes are service marks and the exclusive property of MSCI Barra.

ATX®, ATX® five, CECE® and RDX® are registered trademarks of Vienna Stock Exchange AG.

IPD® UK Quarterly Indexes are registered trademarks of Investment Property Databank Ltd. IPD and have been licensed for the use by Eurex for derivatives.

SLI®, SMI® and SMIM® are registered trademarks of SIX Swiss Exchange AG.

The STOXX® indexes, the data included therein and the trademarks used in the index names are the intellectual property of STOXX Limited and/or its licensors. Eurex derivatives based on the STOXX® indexes are in no way sponsored, endorsed, sold or promoted by STOXX and its licensors and neither STOXX nor its licensors shall have any liability with respect thereto.

Bloomberg Commodity IndexSM and any related sub-indexes are service marks of Bloomberg L.P.

PCS® and Property Claim Services® are registered trademarks of ISO Services, Inc.

Korea Exchange, KRX, KOSPI and KOSPI 200 are registered trademarks of Korea Exchange Inc.

The names of other companies and third party products may be trademarks or service marks of their respective owners.

**Abstract**

This document describes the functional changes to Eurex Clearing's Central Counterparty (CCP) services for securities clearing related to the introduction of CCP Release 17.0 for the Clearing Member.

The document is primarily addressed to functional and operational staff of the Members' middle and back offices. For a full description of the functionality of Eurex Clearing's CCP clearing platform, please refer to previous CCP Release Notes available at the Eurex Clearing website [www.eurexclearing.com](http://www.eurexclearing.com).

## Table of Contents

1.1	Readiness Statement .....	5
1.2	Related Documents .....	5
1.3	List of abbreviations:.....	6
<b>2</b>	<b>Functional Scope and Overview.....</b>	<b>7</b>
<b>3</b>	<b>Details on functional Changes reflected in Member Reporting.....</b>	<b>8</b>
3.1	Repo Transaction .....	9
3.1.1	TC750 Repo Contracts.....	9
3.1.2	TC100 Repo Trade Confirmation (only for Repo Transaction) .....	9
3.2	Securities Lending Transactions .....	10
3.2.1	RPTCL260 Loan Obligations .....	10
3.2.2	RPTTL100 Loan Confirmations.....	10
<b>4</b>	<b>Changes on settlement instructions reporting toward CSDs.....</b>	<b>12</b>

## 1 Introduction

This document provides an overview of the functionality made available with CCP release 17.0. If not stated otherwise all changes described in the following chapters are available in Simulation environment from beginning of October 2019 and in Production environment from 18<sup>th</sup> November 2019 onwards.

### Important

This release is a mandatory release for all Eurex Repo, Securities Lending Business Clearing Members and respective Settlement institutions.

### 1.1 Readiness Statement

According to §10 (3) (ii) of the General Terms and Conditions to the Agreement on Technical Connection to the Clearing Electronic Data Processing (EDP) of Eurex Clearing AG, Clearing Members are obliged to provide Eurex Clearing prior to the first use of the updated CCP service with a written statement confirming that (a) the updated CCP service successfully passed internal test procedures, and (b) the participant system and the participant software interact with the updated CCP service without any errors or interruptions (Readiness Statement). The readiness statement can be submitted in due course via an online survey.

Participation in the CCP Release simulation and testing phase is optional, but highly recommended especially for report and interface changes.

### 1.2 Related Documents

All documents which will be updated in connection with the introduction of CCP Release 17.0 will be made available for download on the Eurex Clearing website under the following path:  
[www.eurexclearing.com](http://www.eurexclearing.com) => Technology => Eurex Clearing's Securities CCP => System Documentation

Details on the publication dates can be found in the "Eurex Clearing Member Communication Calendar for CCP Release 17.0".

### **1.3 List of abbreviations**

BIC	Bank Identifier Code
CCP	Central Counterparty
CM	Clearing Member
CSD	Central Security Depository
CSDR	Central Securities Depository Regulation
EDP	Electronic Data Processing
SFTR	Securities Financing Transaction Regulation
UTI	Unique Transaction Identifier

## **2 Functional Scope and Overview**

With CCP Release 17.0 Eurex Clearing plans to further enhance CCP reports with information required for compliant reporting, according to rules resulting from Securities Financing Transaction Regulation (SFTR). All Cleared Repos (Eurex Repo and Brokertec), Lending CCP Clearing Members and respective Settlement institutions are affected by CCP Release 17.0.

In addition, with CCP Release 17.0 Eurex Clearing supports the enhanced reporting within settlement instructions towards CSDs.

The production launch of Eurex Clearing's CCP Release 17.0 will be Monday, 18<sup>th</sup> November 2019.

This document is primarily addressed to functional and operational staff of the Members' middle and back offices.

The structure of this document is as follows:

Chapter 3 shows an overview of reporting changes due to introduction of SFTR reporting coming into effect with CCP 17.0, while chapter 4 informs our clients about changes on settlement instructions reporting toward CSDs.

### 3 Details on functional Changes reflected in Member Reporting

Based on the implementation of technical standards with regards to the extension of trade registration of securities financing transactions Eurex Clearing decided to enhance its CCP reports for

#### **Cleared Repos:**

- Reports TC750 (formatted/raw) and TC100 (formatted) will be extended by 2 additional fields "UTI" and "Clearing Timestamp"<sup>1</sup>

#### **Lending CCP Business:**

- CL260: new fields – "UTI", "REPORT TRACK NO", "CLEARING TIME STAMP"
- TL100<sup>2</sup>: new fields – "UTI", "REPORT TRACK NO"
- TL100: amended field – "NOVATION TIME"

The additional information covered by the reports can be used in participant's reporting towards the regulator.

Field generation:

#### a. Unique Transaction Identifier (UTI):

Events during the lifecycle of a transaction are linked to the original transaction using UTI.

- For all repo transactions received by Eurex Clearing CCP, UTI will be generated by CCP, i.e. one UTI per repo between Buyer-CCP and one UTI per repo between Seller-CCP.
- CCP will generate repo UTIs based on the following fields (that are concatenated to a single string) to uniquely identify the trade: LEI of ECAG, "R", MIC\_COD, TRD\_DATE, ISIN, EXT\_TRD\_NO
- For all Securities Lending transactions received by CCP, UTI will be generated by CCP per half-loan, i.e. one UTI per half loan between Lender-CCP and one UTI per half loan between Borrower-CCP.
- CCP will generate securities lending UTIs based on the following fields (that are concatenated to a single string) to uniquely identify the trade: LEI of ECAG, "L", MIC\_COD, TRD\_DATE, ISIN, EXT\_TRD\_NO

#### b. Clearing Timestamp:

- For Repo transactions:
  - a. CCP receives trade execution timestamp from Eurex Repo. This timestamp will be used as "Clearing Timestamp" for reporting as Eurex Repo sends trade to CCP immediately after execution at the trading platform.
  - b. In case of emergency (i.e. trade entry via CCP GUI), Clearing timestamp would be generated by CCP after successful validation of trade.
- For all Securities Lending transactions:

<sup>1</sup> Also applicable for related Reports with the ending ..1, ..2 with the same report name

<sup>2</sup> Also applicable for related Report with the ending ..1 with the same report name

- a. The clearing timestamp is provided for cleared transactions, i.e. for legal half loan between CM Lender and Eurex Clearing and for legal half-loan between CM Borrower and Eurex Clearing. CCP stores the clearing timestamp as of novation of the loan.
- b. In case of new loans created due to Corporate Action, Clearing Timestamp will be the date & time when the loan is successfully created by CCP.
- c. Eurex Clearing will provide Reporting Tracking Number for Securities Lending transactions where received from the Third Party Flow Provider in its reports.
- d. For cleared repo transactions the Report Tracking Number is shown in field "External System Order Number".

### 3.1 Repo Transaction

#### 3.1.1 TC750 Repo Contracts

This report contains the details of repo trades (special, GC-Pooling, open, open variable and variable repos) and the settlement of the corresponding legs. For every leg the settlement status on the levels CCP-CM and CM-Customer is displayed separately.

New fields:

REF <sup>3</sup>	FIELD NAME	DESCRIPTION
24	UTI	Unique Transaction Identifier
25	CLEARING TIMESTAMP	Time when the trade is executed at the trading platform

#### 3.1.2 TC100 Repo Trade Confirmation (only for Repo Transaction)

This report contains the details of repo trades (special, GC-Pooling, open, open variable and variable repos) received by CCP for current business day.

New fields:

REF	FIELD NAME	DESCRIPTION
27	UTI	The UTI as generated by the CCP (LEI, "R", MIC_COD, TRD_DATE, ISIN, EXT_TRD_NO). Reported for all records.
28	CLEARING TIMESTAMP	Date and Time when the repo has been novated by CCP; <ul style="list-style-type: none"> <li>- YYYY: Year</li> <li>- MM: Month</li> <li>- DD: Day</li> <li>- HH: Hours</li> <li>- MM: Minutes</li> <li>- SS: Seconds</li> </ul> To be delivered as Coordinated Universal Time (UTC)

<sup>3</sup> Please note: for raw report REF can differ.

## 3.2 Securities Lending Transactions

### 3.2.1 RPTCL260 Loan Obligations

This report contains all loans where the term leg has not yet settled fully. . The creation of this report takes place in the end-of-day processing; the report is assigned to the reporting group EOD.

New fields:

REF <sup>4</sup>	FIELD NAME	TYPE	FORMAT	DESCRIPTION
47	UTI	A	X(52)	The UTI as generated by the CCP (LEI, "L", MIC_COD, TRD_DATE, ISIN, EXT_TRD_NO). Reported for all records.
48	REPORT TRACK NO	A	X(52)	The Reporting Tracking No. as provided by 3PFP or generated by the CCP (MIC_COD, TRD_DATE, ISIN, EXT_SYS_ORD_NO). Reported for all maintenance types and loan status combinations.
49	CLEARING TIME STAMP	N	9(16)	Date and Time when the loan has been novated by CCP; <ul style="list-style-type: none"> <li>- YYYY: Year</li> <li>- MM: Month</li> <li>- DD: Day</li> <li>- HH: Hours</li> <li>- MM: Minutes</li> <li>- SS: Seconds</li> </ul> To be delivered as Coordinated Universal Time (UTC)

### 3.2.2 RPTTL100 Loan Confirmations

The report contains loan confirmations due to new loan requests or (partial) re-allocations and cancellations due to requests by a 3rd party flow provider or based on cancellations by Eurex Clearing due to non-settlement of the front leg (for back-loading, non-settlement of the principal collateral). The creation of this report takes place in continues reporting processing; the report is assigned to the reporting group CORPT.

New fields:

<sup>4</sup> Please note: for raw report REF can differ.

REF <sup>5</sup>	FIELD NAME	TYPE	FORMAT	DESCRIPTION
34	UTI	A	X(52)	The UTI as generated by the CCP (LEI, "L", MIC_COD, TRD_DATE, ISIN, EXT_TRD_NO). Reported for all records.
35	REPORT TRACK NO	A	X(52)	The Reporting Tracking No. as provided by 3PFP or generated by the CCP (MIC_COD, TRD_DATE, ISIN, EXT_SYS_ORD_NO). Reported for all maintenance types and loan status combinations.

## Amended fields:

REF	FIELD NAME	TYPE	FORMAT	DESCRIPTION
33	NOVATION TIME	N	9(8)[hhmmssff]	Timestamp when CCP has novated the loan request (NEW, BKL, VBK). In case of CNC it shows the novation timestamp of the original request. - hh: Hours - mm: Minutes - ss: Seconds To be delivered as Coordinated Universal Time (UTC)

Please note: Field 32 – "NOVATION DATE" remains unchanged.

<sup>5</sup> Please note: for raw report REF can differ.

#### **4 Changes on settlement instructions reporting toward CSDs**

The Central Securities Depository Regulation (CSDR) requires an enhancement of the instruction details. In future, the "Place of Trade" and "Place of Clearing" shall be supported while entering the instruction and included in the settlement reporting towards their clients.

Eurex Clearing will support the reporting of 'Place of Trade' and 'Place of Clearing' within settlement instructions towards CSDs.

Already today, Eurex Clearing supports the field 'Place of Trade' in the settlement instructions reporting towards CSDs. The 'Place of Clearing' is not filled today but will be added with the upcoming CCP Release 17.0. This field ('Place of Clearing') will be filled with Eurex Clearing's BIC EUXCDEFFXX.

Clients should obtain further information from their CSDs on how 'Place of Trade' and 'Place of Clearing' is reported by respective CSD.