

NEWS RELEASE
For Immediate Release

ISDA Reiterates Support for Global Trade and Counterparty Exposure Repositories in Comment Letter on CPSS/IOSCO Consultative Report

NEW YORK, Monday, September 26, 2011 – The International Swaps and Derivatives Association, Inc. (ISDA) filed a comment letter on September 23 with the Committee on Payment and Settlements Systems (CPSS) and the International Organization of Securities Commissions (IOSCO) in response to their consultative report on over-the-counter (OTC) derivatives data reporting and aggregation requirements.

In the letter, ISDA reiterated the need for a global view of trade repositories (TRs), data reporting and aggregation requirements, and hopes that the CPSS/IOSCO consultative report will assist the fostering of consistency of standards internationally. ISDA has worked with its members and with regulators to establish TRs for credit, interest rate and equity derivatives and industry efforts are continuing to establish TRs for commodities derivatives and foreign exchange contracts.

“An effective, global trade repository infrastructure is a shared aim of the regulatory community and OTC derivatives markets,” said Conrad Voldstad, ISDA’s Chief Executive Officer. “We are concerned that this aim may be undermined by the pursuit of local regulatory mandates that may lead to a fragmented TR system.”

The letter notes that ISDA believes that fragmentation of TRs will introduce operational complexity, undermine risk reduction and impose unnecessary costs. ISDA considers that the role of TRs in systemic oversight makes it essential that they are operationally robust, and that there is no fragmentation of their function.

ISDA’s comment letter to the CPSS and the IOSCO also reiterated the Association’s call for the development of a single “Counterparty Exposure Repository” to provide an aggregated risk view for regulators (of the net mark-to-market exposure for each counterparty portfolio, the corresponding collateral and the firms’ calculation of net exposure after the application of collateral).

The letter expresses strong support for common industry standards to facilitate data aggregation and analysis by regulators and highlights the work the industry is doing with regards to Legal Entity Identifiers (LEIs), Unique Product Identifiers (UPIs) and the development of a product taxonomy or classification for OTC derivatives.

The comment letter is available on ISDA’s website at www.isda.org.

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About ISDA

Since 1985, ISDA has worked to make the global over-the-counter (OTC) derivatives markets safer and more efficient. Today, ISDA is one of the world's largest global financial trade associations, with over 825 member institutions from 57 countries on six continents. These members include a broad range of OTC derivatives market participants: global, international and regional banks, asset managers, energy and commodities firms, government and supranational entities, insurers and diversified financial institutions, corporations, law firms, exchanges, clearinghouses and other service providers. Information about ISDA and its activities is available on the Association's web site: www.isda.org.

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