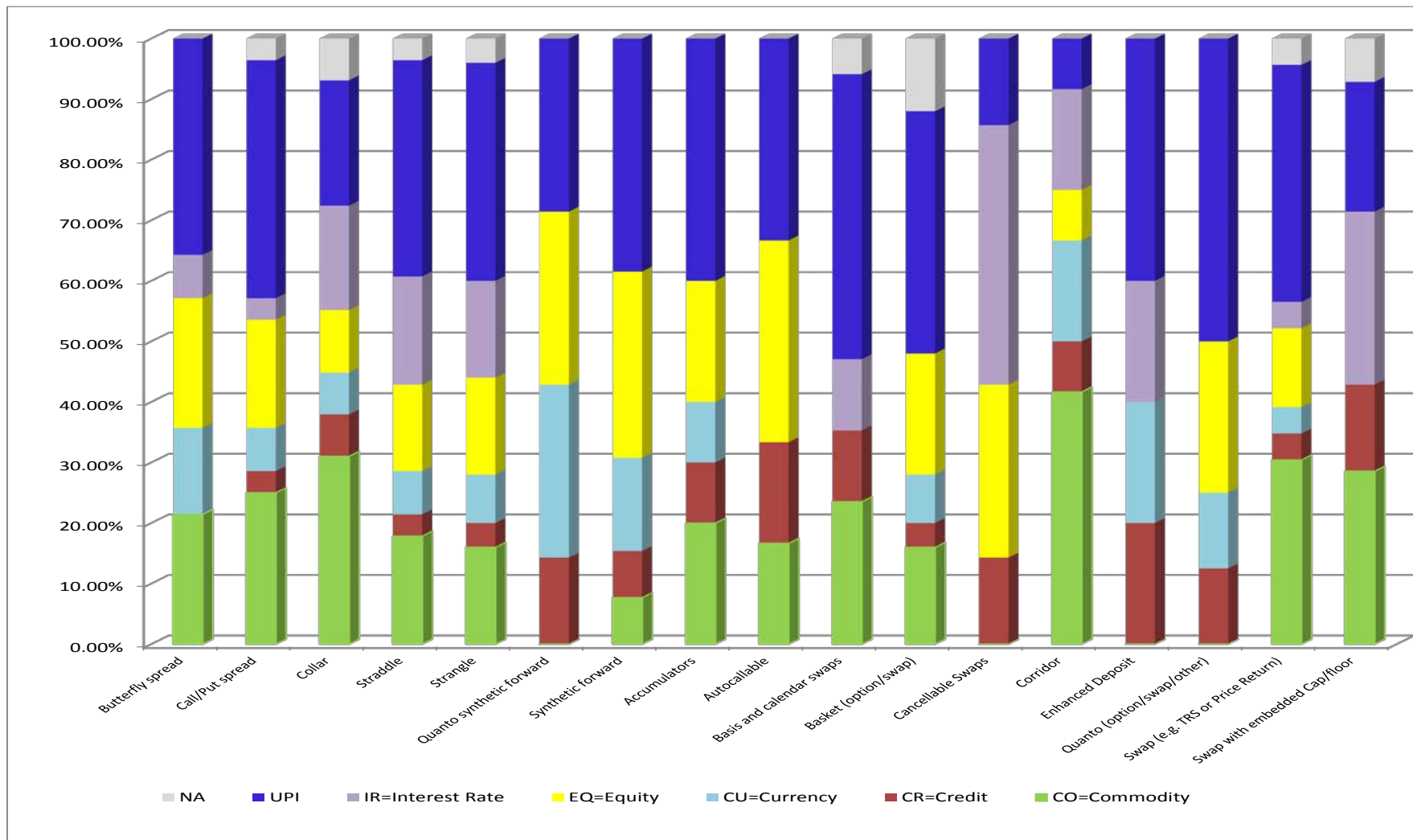**ISDA.** | Safe, Efficient Markets

"Structures survey"

ISDA Data & Reporting EU Compliance - trade representation survey

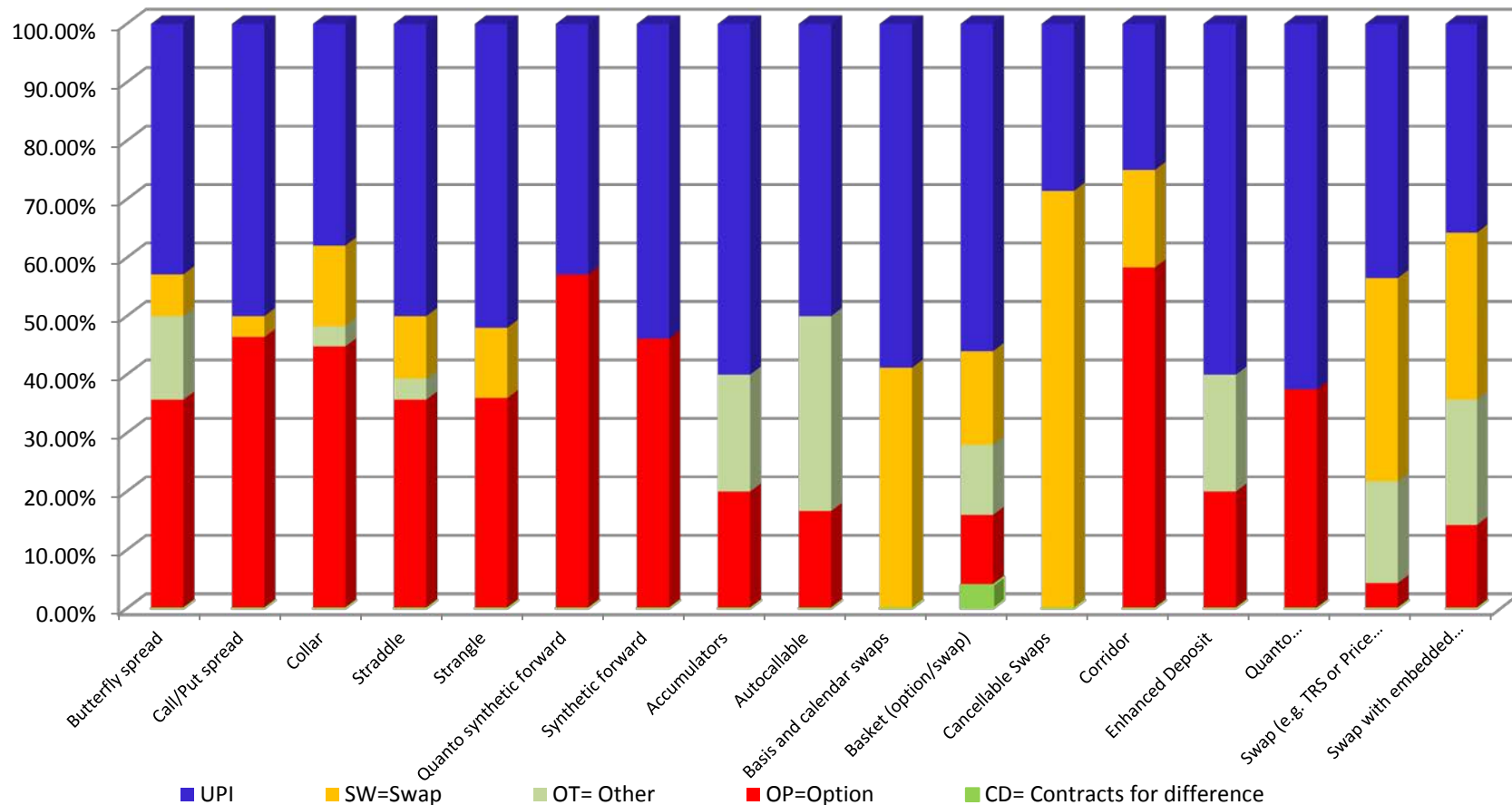Survey responses gathered November & December 2014

1. For each of the types of trade listed below please indicate the derivative class & taxonomy you report most commonly:

*field No 2 in the Table 2 Common data of EMIR ITS

Legend: NA, UPI, IR=Interest Rate, EQ=Equity, CU=Currency, CR=Credit, CO=Commodity

Categories (x-axis): Butterfly spread, Call/Put spread, Collar, Straddle, Strangle, Quanto synthetic forward, Synthetic forward, Accumulators, Autocallable, Basis and calendar swaps, Basket (option/swap), Cancellable Swaps, Corridor, Enhanced Deposit, Quanto (option/swap/other), Swap (e.g. TRS or Price Return), Swap with embedded Cap/floor

Response : 271

2. For each of the types of trade listed below please indicate the derivative type* to which your report most commonly:

*field No 3 in the Table 2 Common data of EMIR ITS

Legend: ■ UPI ■ SW=Swap ■ OT= Other ■ OP=Option ■ CD= Contracts for difference

Categories: Butterfly spread, Call/Put spread, Collar, Straddle, Strangle, Quanto synthetic forward, Synthetic forward, Accumulators, Autocallable, Basis and calendar swaps, Basket (option/swap), Cancellable Swaps, Corridor, Enhanced Deposit, Quanto..., Swap (e.g. TRS or Price..., Swap with embedded...
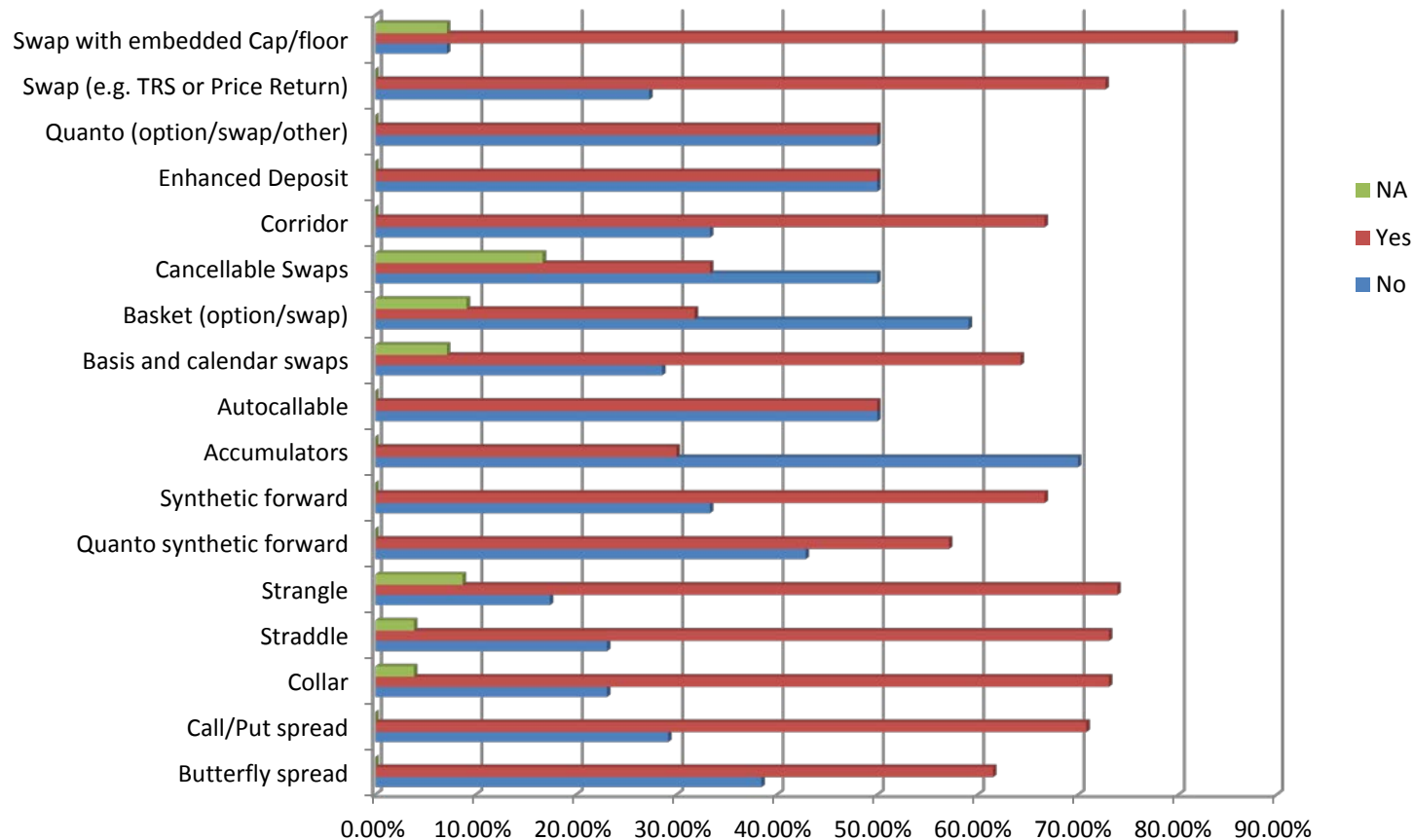
Response : 271

3. Number of individual reports (legs) submitted for this product

52% report structures as a single report (129 over 247 responses)
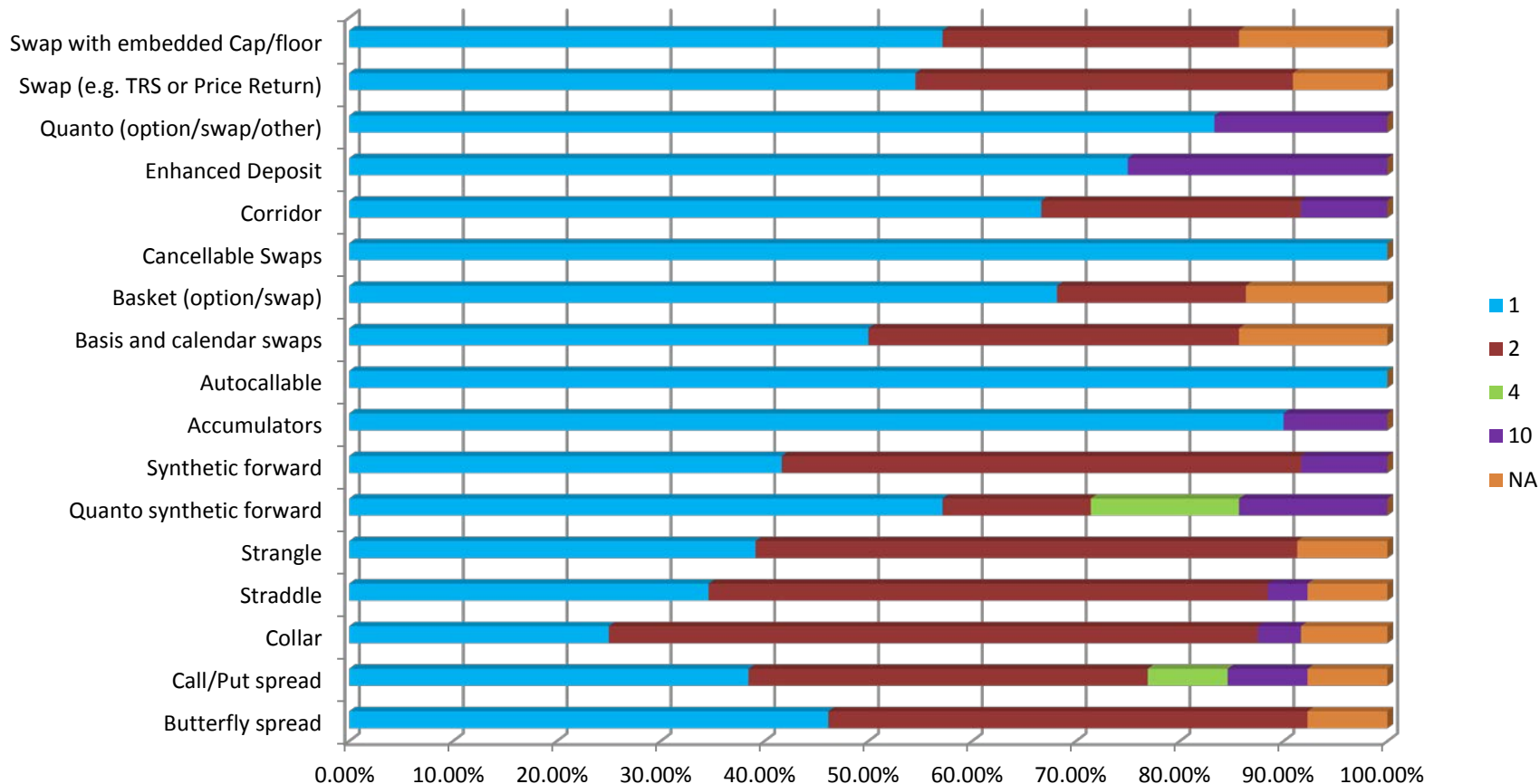
4. Are you representing this trade type in this way when reporting because such trade types are always been booked in your systems in this way?

For 63% of the respondants, EMIR trade reporting aligns with the way they book structures

Response: 247
(outliers removed)

Comments

35 % of participants use UPI taxonomy (col UPI),

The rest use interim taxonomy across asset classes (Commodity, credit, currency, equity, interest rate)

Row Labels	CO=Commodity	CR=Credit	CU=Currency	EQ=Equity	IR=Interest Rate	UPI
Trading strategy						
Butterfly spread	21.43%	0%	14.29%	21.43%	7.14%	35.71%
Call/Put spread	25.00%	3.57%	7.14%	17.86%	3.57%	39.29%
Collar	31.03%	6.90%	6.90%	10.34%	17.24%	20.69%
Straddle	17.86%	3.57%	7.14%	14.29%	17.86%	35.71%
Strangle	16.00%	4.00%	8.00%	16.00%	16.00%	36.00%
Forward						
Quanto synthetic forward	0%	14.29%	28.57%	28.57%	0%	28.57%
Synthetic forward	7.69%	7.69%	15.38%	30.77%	0%	38.46%
Other exotic & swaps						
Accumulators	20%	10%	10%	20%	0%	40%
Autocallable	16.67%	16.67%	0%	33.33%	0%	33.33%
Basis and calendar swaps	23.53%	11.76%	0%	0%	11.76%	47.06%
Basket (option/swap)	16.00%	4.00%	8.00%	20%	0%	40%
Cancellable Swaps	0%	14.29%	0%	28.57%	42.86%	14.29%
Corridor	41.67%	8.33%	16.67%	8.33%	16.67%	8.33%
Enhanced Deposit	0%	20%	20%	0%	20%	40%
Quanto (option/swap/other)	0%	12.50%	12.50%	25.00%	0%	50%
Swap (e.g. TRS or Price Return)	30.43%	4.35%	4.35%	13.04%	4.35%	39.13%
Swap with embedded Cap/floor	28.57%	14.29%	0%	0%	28.57%	21.43%
Grand Total	20.66%	7.01%	8.12%	15.50%	10.70%	**33.95%**

Response: 271
(outliers removed)

Comments

35 % of participants use UPI taxonomy (col UPI),

The rest use interim taxonomy across asset classes (Commodity, credit, currency, equity, interest rate)

Asset class	Interim Taxonomy	UPI	No Answer	Grand Total
Credit derivative	5	3		8
EquityCredit derivative		3		3
Equity	40	19	2	61
Commodity	13	2		15
CommodityEnergyMetals	20			20
Energy	8	16		24
Metals	10			10
FXCommodityEnergyMetals		6		6
FX	22	25		47
Interest rates	28	7	2	37
Interest ratesEquityCredit derivative	14			14
Interest ratesFX		6		6
All asset classes	1	1	5	7
NA	7	4	2	13
Grand Total	168	92	11	271

Comments

When using interim taxonomy , nearly 12 % use category Other in product ID 2 field (especially for autocallables, accumulators, enhanced deposits, TRS, basket trades)

Product ID1/2 & Taxonomy	CD (Interim Taxonomy)	OP=Option (Interim Taxonomy)	OT= Other (Interim Taxonomy)	SW=Swap (Interim Taxonomy)	Missing product ID 2 (Interim Taxonomy - CO)	Missing Product ID 2 (Interim Taxonomy - CR=Credit)
Trading strategy						
Butterfly spread	0%	55.56%	22.22%	11.11%	11.11%	0%
Call/Put spread	0%	81.25%	0%	6.25%	6.25%	6.25%
Collar	0%	61.90%	4.76%	19.05%	9.52%	4.76%
Straddle	0%	58.82%	5.88%	17.65%	11.76%	5.88%
Strangle	0%	60%	0%	20%	13.33%	6.67%
Forward						
Quanto synthetic forward	0%	80%	0%	0%	0%	20%
Synthetic forward	0%	75.00%	0%	0%	12.50%	12.50%
Other exotic & swaps						
Accumulators	0%	33.33%	33.33%	0%	16.67%	16.67%
Autocallable	0%	25.00%	50%	0%	0%	25.00%
Basis and calendar swaps	0%	0%	0%	87.50%	0%	12.50%
Basket (option/swap)	8.33%	25.00%	25.00%	33.33%	8.33%	0%
Cancellable Swaps	0%	0%	0%	83.33%	0%	16.67%
Corridor	0%	63.64%	0%	18.18%	9.09%	9.09%
Enhanced Deposit	0%	33.33%	33.33%	0%	0%	33.33%
Quanto (option/swap/other)	0%	75.00%	0%	0%	0%	25.00%
Swap (e.g. TRS or Price Return)	0%	7.69%	30.77%	61.54%	0%	0%
Swap with embedded Cap/floor	0%	20%	30%	40%	0%	10%
Grand Total	0.60%	47.62%	11.31%	25.00%	7.14%	8.33%

Response : 271

Comments

On '**trading strategies**' (eg. straddles, collars, strangles, butterfly & call put spreads) where ESMA recommends to report separately each trade components [*] :

- **36 %** of the respondents submit a single trade report
- **55 %** report as individual components as per ESMA recommendation
- **71%** report as the way they book.

Number of trade reports	Butterfly spread	Call/Put spread	Collar	Straddle	Strangle	Total
1	38.46%	25.00%	34.62%	46.15%	39.13%	36.61%
2	38.46%	62.50%	53.85%	46.15%	52.17%	51.79%
4	7.69%	0%	0%	0%	0%	0.89%
10	7.69%	4.17%	3.85%	0%	0%	2.68%
No answer	7.69%	8.33%	7.69%	7.69%	8.70%	8.04%
Total responses	13	24	26	26	23	112

| Are you representing this trade type in this way when reporting because such trade types are always been booked in your systems in this way ?	One single report	2 reports	4 reports	10 reports	NA	Total
No	39.02%	12.07%	0.00%	0.00%	55.56%	25%
Yes	53.66%	86.21%	100%	100%	44.44%	71.43%
No Answer	7.32%	1.72%	0.00%	0.00%	0.00%	3.57%
Total responses	41	58	1	3	9	112

Comments

For the other more complex structured trades, there is an overall tendency to submit a single trade report for 65 % while 39 % would not necessarily report following their booking system.

Are you representing this trade type in this way when reporting because such trade types are always been booked in your systems in this way ? (Yes/ No/ no answer)	Number of individual reports (legs) submitted for this product						
	1	**2**	**4**	**10**	**na**	**Total**	**% per product type**
Quanto synthetic forward	**4**	**1**	**1**	**1**		**7**	**36.8%**
No	2	1				3	42.9%
Yes	2		1	1		4	57.1%
Synthetic forward	**5**	**6**		**1**		**12**	**63.2%**
No	3	1				4	33.3%
Yes	2	5		1		8	66.7%
Accumulators	**9**			**1**		**10**	**8.6%**
No	6			1		7	70.0%
Yes	3					3	30.0%
Autocallable	**6**					**6**	**5.2%**
No	3					3	50.0%
Yes	3					3	50.0%
Basis and calendar swaps	**7**	**5**			**2**	**14**	**12.1%**
No	1	2			1	4	28.6%
Yes	6	3				9	64.3%
Na					1	1	7.1%
Basket (option/swap)	**15**	**4**			**3**	**22**	**19.0%**
No	9	4				13	59.1%
Yes	6				1	7	31.8%
Na					2	2	9.1%
Cancellable Swaps	**6**					**6**	**5.2%**
No	3					3	50.0%
Yes	2					2	33.3%
Na	1					1	16.7%
Corridor	**8**	**3**		**1**		**12**	**10.3%**
No	3	1				4	33.3%
Yes	5	2		1		8	66.7%
Enhanced Deposit	**3**			**1**		**4**	**3.4%**
No	2					2	50.0%
Yes	1			1		2	50.0%
Quanto (option/swap/other)	**5**			**1**		**6**	**5.2%**
No	3					3	50.0%
Yes	2			1		3	50.0%
Swap (e.g. TRS or Price Return)	**12**	**8**			**2**	**22**	**19.0%**
No	1	5				6	27.3%
Yes	11	3			2	16	72.7%
Swap with embedded Cap/floor	**8**	**4**			**2**	**14**	**12.1%**
No	1					1	7.1%
Yes	7	4			1	12	85.7%
Na					1	1	7.1%
Total	**88**	**31**	**1**	**6**	**9**	**135**	**100.0%**

Comments

Profile of respondents − With respect to your reporting of derivatives for EMIR how would you classify your firm?

5

29

5

Buy side financial

Corporate

Not applicable

Sell side financial

232
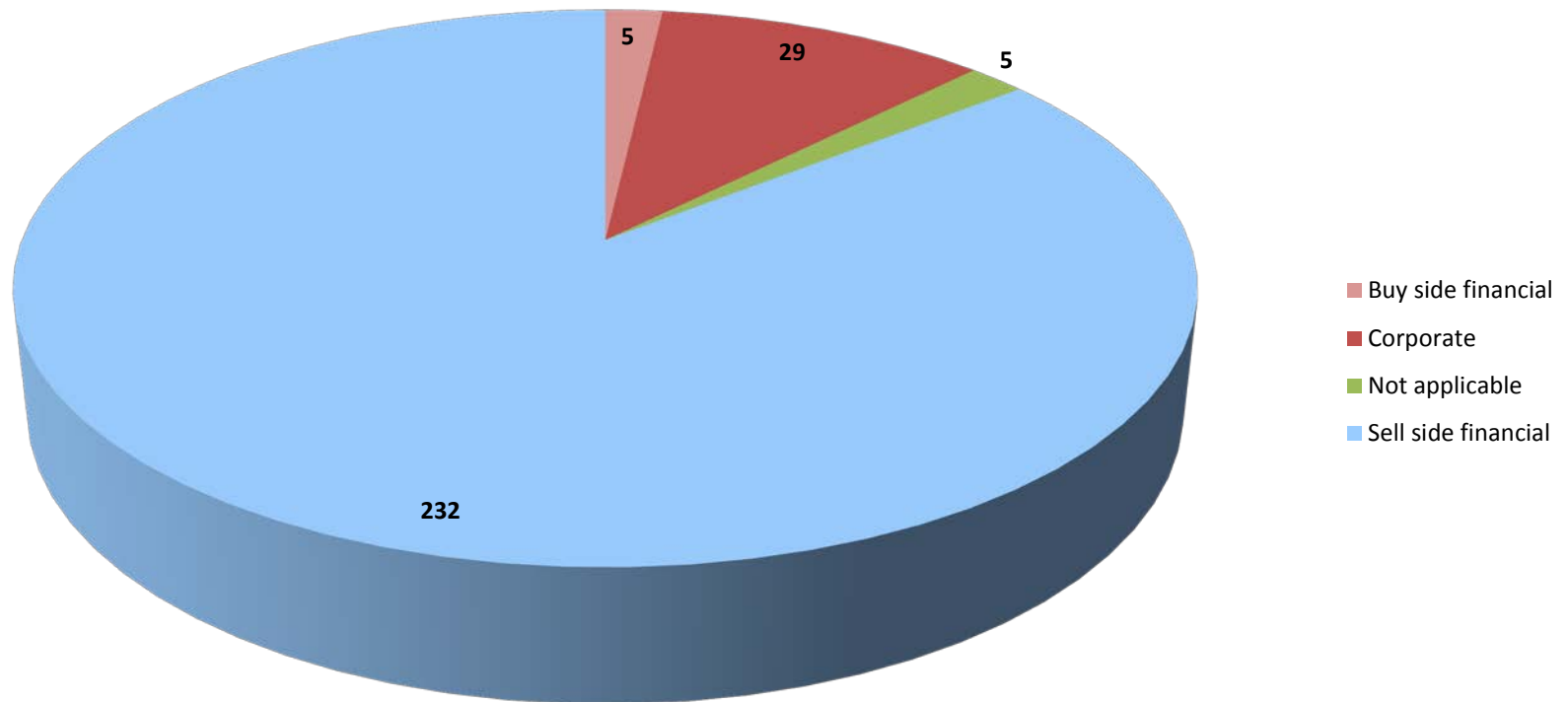
Total number of respondents : 271 (all taken into account for product classification questions)
Trade reporting questions – response : 247 (outliers removed)
Responses drawn from approximately 27 firms

Appendix

Total number of responses per product type

Product types	Buy side fina	Corporate	Not applicable	Sell side finan	Grand Total
Butterfly spread		1		13	14
Call/Put spread		4	2	22	28
Collar	1	3		25	29
Straddle		2		26	28
Strangle		2		23	25
Quanto synthetic forward				7	7
Synthetic forward		1		12	13
Accumulators				10	10
Autocallable				6	6
Basis and calendar swaps	1	5	1	10	17
Basket (option/swap)	1	4		20	25
Cancellable Swaps	1	1		5	7
Corridor				12	12
Enhanced Deposit		1		4	5
Quanto (option/swap/other)		2		6	8
Swap (e.g. TRS or Price Return)		3	1	19	23
Swap with embedded Cap/floor	1		1	12	14
Grand Total	5	29	5	232	271

Total Number of responses per product type (2)

Product ID1/2 & Taxonomy	UPI (Interim Taxonomy)	CD (Interim Taxonomy)	OP=Option (Interim Taxonomy)	OT= Other (Interim Taxonomy)	SW=Swap (Interim Taxonomy)	Missing product ID 2 (Interim Taxonomy - CO)	Missing Product ID 2 (Interim Taxonomy - CR=Credit)	No answer	Grand Total
Accumulators	4		2	2		1	1		10
Autocallable	2		1	2			1		6
Basis and calendar swaps	8				7		1	1	17
Basket (option/swap)	10	1	3	3	4	1		3	25
Butterfly spread	5		5	2	1	1			14
Call/Put spread	11		13		1	1	1	1	28
Cancellable Swaps	1				5		1		7
Collar	6		13	1	4	2	1	2	29
Corridor	1		7		2	1	1		12
Enhanced Deposit	2		1	1			1		5
Quanto (option/swap/other)	4		3				1		8
Quanto synthetic forward	2		4				1		7
Straddle	10		10	1	3	2	1	1	28
Strangle	9		9		3	2	1	1	25
Swap (e.g. TRS or Price Return)	9		1	4	8			1	23
Swap with embedded Cap/floor	3		2	3	4		1	1	14
Synthetic forward	5		6			1	1		13
Grand Total	92	1	80	19	42	12	14	11	271

Appendix

Number of responses [*] per product type

Product ID1/2 & Taxonomy	Buy side financial	Corporate	Not applicable	Sell side financial	Grand Total
Butterfly spread				13	13
Call/Put spread			2	22	24
Collar	1			25	26
Straddle				26	26
Strangle				23	23
Quanto synthetic forward				7	7
Synthetic forward				12	12
Accumulators				10	10
Autocallable				6	6
Basis and calendar swaps	1	2	1	10	14
Basket (option/swap)	1	1		20	22
Cancellable Swaps	1			5	6
Corridor				12	12
Enhanced Deposit				4	4
Quanto (option/swap/other)				6	6
Swap (e.g. TRS or Price Return)		2	1	19	22
Swap with embedded Cap/floor	1		1	12	14
Total	5	5	5	232	247

[*] Response: 247
(outliers removed)

Number of responses (*) per product type (2)

Product ID1/2 & Taxonomy	UPI (Interim Taxonomy)	CD (Interim Taxonomy)	OP=Option (Interim Taxonomy)	OT= Other (Interim Taxonomy)	SW=Swap (Interim Taxonomy)	Missing product ID 2 (Interim Taxonomy - CO)	Missing Product ID 2 (Interim Taxonomy - CR=Credit)	No answer	Grand Total
Trading strategy									
Butterfly spread	4		5	2	1	1			13
Call/Put spread	8		13		1	1	1		24
Collar	4		13	1	4	2	1	1	26
Straddle	8		10	1	3	2	1	1	26
Strangle	7		9		3	2	1	1	23
Forward									
Quanto synthetic forward	2		4				1		7
Synthetic forward	4		6			1	1		12
Other exotic & swaps									
Accumulators	4		2	2		1	1		10
Autocallable	2		1	2			1		6
Basis and calendar swaps	5				7		1	1	14
Basket (option/swap)	7	1	3	3	4	1		3	22
Cancellable Swaps					5		1		6
Corridor	1		7		2	1	1		12
Enhanced Deposit	1		1	1			1		4
Quanto (option/swap/other)	2		3				1		6
Swap (e.g. TRS or Price Return)	8		1	4	8			1	22
Swap with embedded Cap/floor	3		2	3	4		1	1	14
Total	70	1	80	19	42	12	14	9	247

(*) Response: 247
(outliers removed)