Rates: Standardization Matrix Definitions and Reporting Explanations

General Product Definitions

Base Product (A)

The primary product categories as used in the Interest Rate Trade Reporting Repository (IR TRR)[1]. For Rates these include Single Currency Swap, Single Currency Basis Swap, OIS, Cross Currency Swap, Cross Currency Swap Exotic, Single Currency Swap Exotic, Callable Swaps, Debt Option, Inflation Swaps, FRA, Cap/Floor, Option Exotic, and Swaption. For ease of reference these are further defined in the attached Appendix 1.

Sub Product (B)

Sub-categorization of the Base Product by transaction type (fixed vs float, fixed vs fixed, float vs float), where appropriate.

Currency (C)

Further differentiation of the Base Product as defined in A above by currency (G4 CCY (GBP, USD, EUR, JPY), Non-G4 CCY)

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[1] For the avoidance of doubt this is currently the TriOptima Interest Rate Trade Reporting Repository

Industry Volume Metrics

Submissions are sourced directly from reporting firms internal records and divided into (i) G14 vs. G14 (labeled G14), (ii) G14 vs Non G14 (labeled Non G14) and (iii) G14 vs. CCP (labeled CCP). The G14 column will count transactions for each dealer that has submitted and therefore a single trade between two G14 firms will be reflected twice in the data. Gross notional values will be converted into USD using the exchange rates from the repository[2] as at 30th December 2011. Submissions will include all trades that would be eligible for reporting to the IR TRR.

Stock Portfolio (D)

A count of all current outstanding live transactions across G14 dealers[3] for the relevant sub-product / currency combination as of 30th December2011. This will be reflected as a count of live transactions (D) and a gross notional of those transactions, in USD (D1)

Monthly Volume (E)

Sum of submissions of G14 dealer's monthly average economic trading volume[4] for the 3 month period between October 2011-December2011. The submission reflects both trade count (E) and gross notional in USD (E1) This volume includes all external executions of New Trades, Unwinds and Step-In Assignments. This metric excludes all activity related to post trade date(historical) clearing, portfolio compression, remaining party novations and bulk assignments related to mergers, etc. This metric includes only economic risk transfer activity for the submitting dealers.

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[2] FX Rates supplied by DTCC TIW and EDRR repository for the purpose of conversion into USD. Appendix 2: FX Conversion Rates.

[3] Data should be submitted for those entities that currently submit to the repository.

[4] Each firm should submit this data in the form of their monthly average this is the total count of economic external activity done over a 3 month period, divided by 3.

Standardisation Levels

Execution Venue (F & G)

Electronic (F1 & F2)
Average monthly volume, expressed as an absolute number of trades, that is executed on a purpose built electronic execution platform. This can be on a dealers own in-house electronic execution venue offered to its clients (Single Dealer)(F1) or a third party communal venue such as those offered by interdealer execution brokers (Multi Party)(F2).

Single Dealer Electronic Platform (F1)
Platforms sponsored by a single market maker and available to one or more counterparties for trade execution. Transaction details are recorded by a system/platform sponsored/owned by one of the two parties to the trade and there is no third party involved in execution

Multi Party Electronic Platform (F2)
Multiparty platforms that contain multiple market-maker bids/offers that are classified as multilateral trading platforms (Inter Dealer Broker "click to trade" screens, Request-For-Quote platforms, etc.). In all cases, there is a third party that captures transaction details at the point of execution

Voice (G)
Average monthly volume, expressed as an absolute number of trades, that is executed by communication over phone, email or similar messaging platform (Bloomberg MSG, IM, etc.)

Electronic Confirmation Eligible (H)
A yes or no value indicating whether a sub-product/currency combination is eligible for electronic confirmation.

Electronic Confirmed (I)
The monthly average actual number of trades within each sub product/currency combination during the designated three month period[3] that is confirmed using electronic confirmation.

Clearing Eligible (L)
A yes or no value indicating whether a sub-product/currency combination is eligible for Central Counterparty Clearing.

Appendix 1: IR TRR Product Definitions

Product Category	Definition	Example Trade Types
Single Currency Swap	1. Any cleared (or clearable) Interest Rate Swap 2. Any vanilla interest rate swap based on a liquid underlying	Any swap cleared through LCH, CME etc. IRS, asset swap, CMS, Yield Curve swap, base rate swap, accreting/amortising swap, Muni swap
Single Currency Basis Swap	1. Any cleared (or clearable) Basis Swap 2. Any vanilla basis swap based on a liquid underlying	Any basis swap cleared through LCH, CME etc. Basis swap, PSA basis swap
OIS	1. Any cleared (or clearable) OIS swap 2. Any vanilla swap in which the floating leg, or in the case of Basis OIS, at least one of the floating legs, is based on an OIS Rate	Any OIS swap cleared through LCH, CME etc. OIS basis swaps, NDF OIS swap, OIS
Cross Currency Swap	1. Any vanilla interest rate swap based on two currencies	Cross-currency swaps
Cross Currency Swap Exotic	1. Any non-vanilla cross-currency trade	Cross currency capped swaps
Single Currency Swap Exotic	1. Any non-vanilla trade based around a series of swap–related cashflows	Callable range accrual, Ratchet swap, PRD, Digital, Capped CMS
Callable Swaps	1. Interest Rate or Cross Currency callable or extendable swap, without additional features, where one side has the right to cancel or extend, based on a liquid underlying	Callable swap, extendable swap, callable CMS
Debt Option	1. Any vanilla option schedule based on a liquid underlying	Bond Option, Treasury Option, MBS option
Inflation Swap	1. Any vanilla product based on an inflation index	Inflation swap, inflation cap/floor, inflation swaption, inflation basis swap
FRA	1. Any vanilla Forward Rate Agreement	FRA, FRA-OIS
Cap/Floor	1. Any vanilla cap or floor (or collar) trade	IR Cap, IR Floor, Cap-OIS, Cap/Floor Straddle, Basis Caps/Floors
Option Exotic	1. Any non-vanilla trade based around an option schedule	Composite options, Flex cap/floor
Swaption	1. Any swaption trade	Any european, bermudan and american or cross-currency swaptions, including all option strategies

Glossary

Vanilla — Any trade which is either already clearable or can be considered significantly vanilla that it would be a potential candidate to be taken up by a clearing house in the short to medium term.

Non-vanilla — Any feature or series of features within a trade, the sum of which does not meet the definition of "Vanilla", above.

Feature — Any aspect of a trade that alters the way the trade behaves in comparison with an equivalent trade that does not have the feature. This includes optionality, an additional vanilla function (eg. a cap), etc.

Appendix 2: FX Conversion Rates

CCY	FX Rate	CCY	FX Rate	CCY	FX Rate	CCY	FX Rate	CCY	FX Rate
AED	0.27225	COP	0.000516	IQD	0.000856	MVR	0.065062	STD	5.29E-05
AFN	0.023299	CRC	0.001978	IRR	8.97E-05	MWK	0.006113	SVC	0.114351
ALL	0.009385	CUP	1	ISK	0.008149	MXN	0.071667	SYP	0.018467
AMD	0.002592	CVE	0.011758	JMD	0.011621	MYR	0.315308	SZL	0.123503
ANG	0.570613	CZK	0.050612	JOD	1.410238	MZN	0.037524	THB	0.031641
ARS	0.232288	DJF	0.005559	JPY	0.012995	NAD	0.123686	TMT	0.350816
AUD	1.022129	DKK	0.174113	KES	0.011758	NGN	0.006156	TND	0.66778
AWG	0.55869	DOP	0.025873	KGS	0.021515	NIO	0.043526	TOP	0.570516
AZN	1.271456	DZD	0.013173	KHR	0.000248	NOK	0.167191	TRY	0.528877
BAM	0.662252	EGP	0.165796	KMF	0.002628	NPR	0.011711	TTD	0.15625
BBD	0.5	ERN	0.066225	KPW	0.001111	NZD	0.777998	TWD	0.032976
BDT	0.012215	EUR	1.294247	KRW	0.000863	OMR	2.597065	TZS	0.000634
BGN	0.65937	FJD	0.54615	KWD	3.588088	PAB	1	UAH	0.125
BHD	2.652801	FKP	1.541307	KYD	1.219512	PEN	0.370508	UGX	0.000402
BIF	0.000774	GBP	1.553639	KZT	0.006735	PHP	0.022815	USD	1
BMD	1	GEL	0.598695	LAK	0.000125	PKR	0.011116	UYU	0.050251
BND	0.770594	GHS	0.609942	LBP	0.000664	PLN	0.290149	VEB	0.2299
BOB	0.144613	GIP	1.541307	LKR	0.008687	PYG	0.000225	VEF	0.232965
BRL	0.536625	GMD	0.034282	LRD	0.013746	QAR	0.274597	VND	4.75E-05
BSD	0.9995	GNF	0.000139	LSL	0.123609	RON	0.298508	VUV	0.01069
BTN	0.019048	GTQ	0.127959	LTL	0.375361	RSD	0.012083	WST	0.416997
BWP	0.133801	GYD	0.004915	LVL	1.851509	RUB	0.031133	XAF	0.001982
BYR	0.00012	HKD	0.128758	LYD	0.795482	RWF	0.001672	XCD	0.37037
BZD	0.508958	HNL	0.052604	MAD	0.116697	SAR	0.266645	XDR	1.535148
CAD	0.980969	HRK	0.171016	MDL	0.085288	SCR	0.070817	XOF	0.001977
CDF	0.001099	HTG	0.02448	MGA	0.000448	SDG	0.373622	XPF	0.010881
CHF	1.065076	HUF	0.004107	MKD	0.021097	SEK	0.14506	XXX	1
CLF	42.88165	IDR	0.00011	MMK	0.15361	SGD	0.770832	YER	0.004561
CLP	0.001923	ILS	0.261575	MNT	0.000726	SHP	1.541307	ZAR	0.123602
CNY	0.158748	INR	0.01885	MOP	0.124927	SLL	0.00023	ZMK	0.000194
						SOS	0.000615	ZWL	0.002634
						SRD	0.305344		