

Industry Implementation Considerations

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Item #	Implementation Type	Industry Consideration	Possible Development Time	Possible UAT Period	Contingencies
1	External Pricing Feeds / Dependency				
1.1	Submission & Receipt to Data Services	Ensure participants are sending and receiving the correct tenor and date mapping values on pricing files	4 weeks	2-3 weeks	Development needs to be completed by 30th October so that industry can carry out full UAT in November prior to code freeze
1.2	CCP Pricing Feeds	Inbound and outbound pricing feeds adjustment	4 weeks	2-3 weeks	
1.3	Broker Feeds	Ensure development complete to send broker prices to dealers under new convention	3 weeks	2-3 weeks	Development needs to be completed by 30th October so that industry can carry out full UAT in November prior to code freeze
2	Internal Pricing Tools				
2.1	Internal Platform & Applications	Enhancements to all pricing applications and risk spreadsheets so that they can price under the new roll calendar	6 - 8 weeks	2 weeks	Dependant on 2.1
2.2	Broker Prices	Ability to handle broker prices under new convention	2 weeks	1 week	Dependant on 1.2
2.3	Publishing	Ability to publish to external data services under new convention	2 weeks	1 week	Dependant on 1.1
2.4	Feeds	Handling new feed from external data service providers	1 week	1 week	Dependant on 1.3
2.5	Changes to UI on price tools	Potential changes required by front office to pricing tools UI	3 weeks	2 weeks	Dependant on 2.2
3	Risk, Valuation & Reporting				
3.1	Valuation	Development required on valuation engine to value trades under the new roll calendar	6-8 weeks	2 weeks	
3.2	Intraday Risk / Risk Reporting Systems	Testing to ensure risk systems can report risk accurately under the new roll calendar	3 weeks	2-3 weeks	Dependent on 3.1
3.3	Market Risk Reporting	Ensure market risk systems are reporting VAR / Time Series reporting accurately under new roll Calendar	3 weeks	2 weeks	Dependent on 3.1
3.4	Finance / Price Valuation Group	Ensure no operational issues for Price valuation group on change in methodology	3 weeks	1 week	Dependent on 3.1
3.5	P&L Reporting	Ensure development is complete around P&L calculation for roll PnL	1 week	1 week	Dependent on 3.1
3.6	Historical Data	Firms will need to consider treatment of historical data prior to the roll convention change. For example, how to treat the charting of historical 5Y CDS spreads, or how to calculate historical position valuation and risk values using CDS term structures prior to the roll convention change.	3 weeks	2-3 weeks	
3.7	Calculating Index vs. Single Name basis	Firms to review how to calculate the index single name basis, between individual constituents and the index		2 weeks	
3.8	Scenarios Analysis	Firms may need to consider amending internal scenario analysis tools	6-8 weeks	2 weeks	Dependent on 3.1
4	Trade Capture				
4.1	Trade Capture Tools	Ensure all Trade Capture tools for SNCDS have accurate Tenor/Maturity Date Mapping in quick and full ticket. Ensure Trades can be booked and feed the Trade Information Warehouse and valuation engines accurately	3-4 weeks	2 weeks	