

Q1 With reference to alternatives proposed for data elements included in the group “Date” (data elements 1.01, 2.01) and “Timestamp” (data element 8.03 in List 1 and data element 2.02 in List 2).

Effective Date:

a) Are the advantages and disadvantages of proposed harmonisation alternatives included in the report appropriately defined? If not, which aspects should be revised and how?

CCIL Response: While the 2 alternatives on the date and time stamp have been adequately discussed, practical difficulties in Alternative 2 of aligning the time across time zones may be discussed.

b) Is the proposed default value sufficiently unambiguous? Will users of TR data be able to distinguish between the default value for timestamps and reported timestamps? If this would not be possible, what alternative do you suggest?

CCIL Response: Yes. Users of TR shall be able to distinguish between default value for timestamps and reported timestamps.

c) Which of the proposed harmonisation alternatives should be supported and why? Under which circumstances would the alternative(s) be difficult to implement?

CCIL Response: Alternative 1 should be supported. It is sufficient if the TR has data for the effective date. Information on effective time need not be captured as suggested in alternative 2. Data of effective time may not add much value, at a global level.

Cleared:

Q2 With reference to alternatives proposed in the allowable values for the data element “Cleared”:

a) Are the advantages and disadvantages of proposed harmonisation alternatives included in the report appropriately defined? If not, which aspects should be revised and how?

CCIL Response: Yes. The main advantage of alternative 1 is that a simple “Y” or “N” as in alternative 2 will not help distinguish between whether the trade is Pending Exposure at the CCP or is not intended for clearing at all.

b) Which of the proposed harmonisation alternatives should be supported and why? Under which circumstances would the alternative(s) be difficult to implement?

CCIL Response: Alternative 1 should be supported, because it gives more clarity.

c) Are the proposed alternatives sufficient to accommodate the potential need to distinguish between direct and indirect clearing?

CCIL Response: Yes, in the case of Alternative1.

ID of the primary obligor:

Q 3 With reference to the definition of “ID of the primary obligor 1” (data element 5.01) and “ID of the primary obligor 2” (data element 5.02):

- a) Would the guidance be sufficiently clear in the case of original and cleared trades, taking different clearing models into consideration?

CCIL Response: We are not clear on the need to introduce another field to capture the Obligor information. For the original trade, it will be the two counterparties to the trade and for the cleared trades it will be the member and central counterparty.

- b) Would the guidance be sufficiently clear in the case of trusts or collective investment vehicles?

CCIL Response: Please see response above.

Notional Amount:

Q4 With reference to the definition for “Notional amount”:

a) Should guidance be complemented by a definition of “leg 1” and “leg 2” or are market conventions already clear? In the former case, which definition would you suggest? If relevant, please provide an asset-class specific answer.

CCIL Response: Market Conventions are clear on the meaning of leg 1 and leg 2 and the same could be followed.

b) As regards FX derivatives, the solution proposes only two notional amounts based on the assumption that for FX swaps the spot and the forward leg are represented as two separate transactions with separate UTIs linked via a linkage data element. Should the Harmonisation Group take into consideration an additional alternative? If yes, which one and why? For example, should the Group require a total of four FX notional amount data elements namely two notional amount data elements to represent the two currencies associated with each leg of the swap?

CCIL Response: No, an additional linkage may not be required, as the swap identifier indicated in the 2 legs of the swap transactions would be sufficient.

c) Should the Harmonisation Group in the future decide to provide harmonisation guidance also for the notional amount of commodity derivatives, which aspects should it take into account? How should this potential harmonization proposal be defined for different commodity derivatives?

CCIL Response: Commodity derivatives are currently not reported to CCIL-TR and hence the question is not applicable.

Q5 With reference to alternative 1, which harmonises both the actual “Notional amount” (Data elements 6.01 and 6.02) and the “Original notional amount” (Data element 6.04), versus alternative 2, which harmonises only the actual “Notional amount” (Data elements 6.01 and 6.02):

a) Are the advantages and disadvantages of proposed harmonisation alternatives included in the report appropriately defined? If not, which aspects should be revised and how?

CCIL Response: Yes, the advantages and disadvantages of the proposed harmonization alternatives are appropriately defined.

b) Which of the proposed harmonisation alternative should be supported and why? Under which circumstances would the alternative(s) be difficult to implement?

CCIL Response: We prefer alternative 1 as the actual and original amount can be easily identified.

Q6 With reference to alternatives proposed in the allowable values for the data elements “Notional currency” (alternative 1 and 2):

a) Are advantages and disadvantages of proposed harmonisation alternatives included in the report appropriately defined? If not, which aspects should be revised and how?

CCIL Response: Yes.

b) Which of the proposed harmonisation alternative should be supported and why? Under which circumstances would the alternative(s) be difficult to implement?

CCIL Response: We would prefer alternative 1. The ISO standards should be adopted. As and when a new currency is introduced or traded, the relevant ISO standards may be duly updated.

Valuation:

Q7 With reference to the data element “Valuation amount”:

a) Are the two proposed alternatives agreeable? Please specify for which types of derivatives which of the alternatives should apply.

CCIL Response: Yes, Alternative 1 would be applicable for the three asset classes namely Forex, Credit and Rate derivatives.

b) Should the following factors, upfront payment and daily settlement of the derivatives transaction, be reflected in the valuation amount? If yes, please specify how.

CCIL Response: No, these should be reflected as distinct fields.

Q8 With reference to alternatives proposed for included in the group “Valuation” (data elements 8.04 and 8.05):

a) Are the advantages and disadvantages of proposed harmonisation alternatives included in the report appropriately defined? If not, which aspects should be revised and how?

CCIL Response: Yes.

b) Which of the proposed harmonisation alternatives should be supported and why? Under which circumstances would the alternative(s) be difficult to implement?

CCIL Response: We prefer alternative 2, the valuation method. In the case of alternative 1, the reporting counterparty may not know the methodology adopted by the CCP. In the case of alternative 2, once it is known that it is valued by the CCP, the methodology need not be recorded.

Direction:

Q9 With reference to alternatives proposed for the data element “Direction”:

a) Are the advantages and disadvantages of proposed harmonisation alternatives included in the report appropriately defined? If not, which aspects should be revised and how?

CCIL Response: Yes, the advantages and disadvantages of the proposed harmonization alternatives are appropriately defined. Rules regarding exotic products need to be clearly defined.

b) Which of the proposed harmonisation alternative should be supported and why? Under which circumstances would the alternative(s) be difficult to implement?

CCIL Response: We prefer alternative 1, as it clearly gives specific guidelines on the buyer and seller. This would particularly be useful, when other data elements are harmonized and the obligation lies with one party to report. Some difficulty may be encountered in case of new instruments or exotic instruments where the rules are not identified, or in case of client transactions where the reporting obligation lies with the market maker.

c) Are the proposals sufficiently robust for transactions with multiple legs? With reference to Alternative 1, can the counterparty side (buyer/seller) clearly identify the parties paying each relevant payment stream? With reference to Alternative 2, is the payer of payment streams an applicable concept for all payment streams? Responses illustrated with worked examples where applicable would be appreciated.

CCIL Response: In the case of alternative 1, the counterparty side would enable identifying the parties paying each side of the relevant payment stream. In the case of alternative 2, the payer of payment streams may work for an Interest Rate Swap, but in case of Forex and Cross Currency Swaps, it may pose some difficulty. Example: In the case of Cross Currency Swap, the borrower of the currency may be liable to pay interest, hence the payment streams may be in 2 separate directions, this may lead to some amount of ambiguity.