Basel Committee
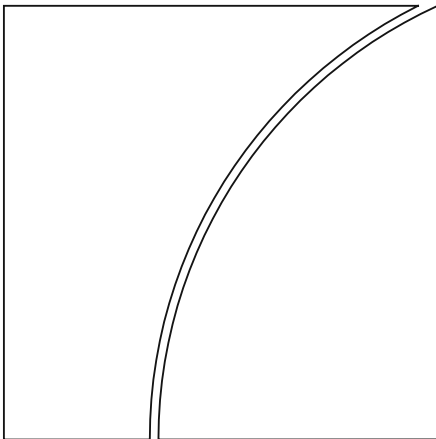# on Banking Supervision

Instructions for Joint QIS

NIMM part

July 2013

This publication is available on the BIS website (www.bis.org).

Contents

Instructions for Joint QIS – NIMM part

1. Introduction

The Basel Committee on Banking Supervision (Committee)[1] is analysing the potential impact of its proposed non-internal model method [2] (hereafter, referred to as the "NIMM") for measuring counterparty credit risk and its proposed revisions to the capital requirements for bank exposures to central counterparties (CCPs)[3] (hereafter, the "CCP framework"). In this regard, the Committee will also give due consideration to an assessment being performed by the OTC Derivatives Assessment Team[4] (DAT) regarding the collective impact of a group of regulatory reforms affecting OTC derivatives that have been developed – or that are under development – by global standard setting bodies. The assessment will evaluate whether these regulatory reforms create appropriate incentives for market participants to centrally clear OTC derivatives (hereafter, the "incentives assessment"). For this purpose, the Committee designed a Joint Quantitative Impact Study (hereafter, the "Joint QIS"), which jointly addresses the three mentioned parts (the NIMM, the CCP framework, and the incentives assessment).

This document provides detailed instructions for the first part of the Joint QIS, which addresses the NIMM. The NIMM part of the QIS has the following objectives:

- Assessment of actual capital impacts of the NIMM and a comparison to the currently used method (current exposure method (CEM), standardised method (SM), or internal model method (IMM)).

- Assessment of potential implementation issues of the NIMM by testing large, real life portfolios.

- Reception of feedback from banks regarding operational burden and implementation issues.

- Identification of potential conceptual shortcomings of the NIMM.

- Calibration of the various parameters of the NIMM.

The Committee will treat data collected in this exercise as strictly confidential and will not attribute them to individual banks.

---

[1] The Basel Committee on Banking Supervision is a committee of banking supervisory authorities which was established by the central bank Governors of the Group of Ten countries in 1975. It consists of senior representatives of bank supervisory authorities and central banks from Argentina, Australia, Belgium, Brazil, Canada, China, France, Germany, Hong Kong SAR, India, Indonesia, Italy, Japan, Korea, Luxembourg, Mexico, the Netherlands, Russia, Saudi Arabia, Singapore, South Africa, Spain, Sweden, Switzerland, Turkey, the United Kingdom and the United States. It usually meets at the Bank for International Settlements (BIS) in Basel, Switzerland, where its permanent Secretariat is located.

[2] For further details please see Basel Committee on Banking Supervision, *The non-internal model method for capitalising counterparty credit risk exposure*s, consultative document, June 2013 (www.bis.org/publ/bcbs254.htm).

[3] For further details please see Basel Committee on Banking Supervision *Capital treatment of bank exposures to central counterparties*, consultative document, June 2013 (www.bis.org/publ/bcbs253.htm).

[4] The DAT was established by the OTC Derivatives Coordination Group, The Coordination Group is comprised of FSB Chairman Mark Carney and the chairs of four standard setting bodies: Stefan Ingves, Sveriges Riksbank Governor (BCBS); William Dudley, Federal Reserve Bank of New York President (CGFS); Paul Tucker, Bank of England Deputy Governor (CPSS); and Greg Medcraft, Australian Securities and Investments Commission (IOSCO). The DAT is comprised of staff from Bank of Canada, Bank of England, Federal Reserve Bank of New York, Japan Financial Services Agency and Sveriges Riksbank.

Descriptions of data items in these instructions are included to facilitate the completion of the Joint QIS questionnaire and are not to be construed as an official interpretation of other documents published by the related standard setting bodies, including the Committee.

This version of the instructions refers to version 1.0 of the reporting templates. The remainder of this document is organised as follows. Section 2 discusses general issues such as the scope of the exercise, the process and the overall structure of the quantitative questionnaire. Section 3 discusses the worksheet for collection of participant information. Section 4 discusses the worksheet for data collection relevant for all banks, while Section 5 discusses the worksheets relevant to IMM banks only.

2. General

2.1 Scope of the exercise

Participation in the Joint QIS exercise is voluntary. The Committee expects large internationally active banks, small and medium-sized banking institutions to participate in the study, as all of them will likely be affected by some or all of the revisions to the reforms being considered. Where applicable and unless noted otherwise, data should be reported for consolidated[5] groups. These data collections should be completed on a best-efforts basis.

2.2 Information on the NIMM calculations

How to derive the various quantities such as adjusted and effective notionals and add-ons on different levels is described in detail in the related consultative paper.[6] In order to account for **maturity mismatches** of interest rate derivatives across maturity buckets, banks should use Approach 1 "Partial offsetting across maturity buckets". This Approach 1 is described on page 12 of the consultative paper and should be used for all calculations of add-ons of interest rate derivatives throughout the Joint QIS.

2.3 Filling in the data

The reporting templates of the Joint QIS provided on the Committee's website are for information purposes only. While the structure of the workbooks used for the Joint QIS exercise is the same in all participating countries, **it is important that banks use only the workbook obtained from their respective national supervisory agency to submit their returns**. National supervisory agencies may also provide additional instructions, if deemed necessary.

Data should only be entered in the yellow shaded cells. There are also some pink cells which will be completed by the relevant national supervisory agency. **It is important to note that any modification to the worksheets might render the workbook unusable both for the validation of the final results and the subsequent aggregation process**.

---

[5]   This refers to the consolidation for regulatory rather than accounting purposes.

[6]   Basel Committee on Banking Supervision, *The non-internal model method for capitalising counterparty credit risk exposure*s, consultative document, June 2013 (www.bis.org/publ/bcbs254.htm).

Cell colours used in the reporting template for the NIMM part of the Joint QIS	Table 1

Colour	Content
Yellow	Input cell.
Pink	To be completed by the supervisor.
White	Calculation result. Must not be changed.

Where information is not available, the corresponding cell should be left empty. No text such as "na" should be entered in these cells. However, leaving a cell empty could trigger exclusion from some or all of the analyses if the respective item is required, ie participating institutions should aim to provide data for all **yellow** cells. The automated calculations in the workbook indicate whether or not a certain item can be calculated using the data provided.

Data can be reported in the most convenient currency. The currency which has been used should be recorded in the "General Info" worksheet. Supervisors will provide the relevant exchange rate for converting the reporting currency to euros. If 1,000 or 1,000,000 currency units are used for reporting, this should also be indicated in this worksheet. When choosing the reporting unit, it should be considered that the worksheet shows all amounts as integers. The same currency and unit should be used for all amounts throughout the workbook, irrespective of the currency of the underlying exposures.

Percentages should be reported as decimals and will be converted to percentages automatically. For example, 1% should be entered as 0.01.[7]

The reporting template includes checks in several of the worksheets. If one of these checks shows "No" or "Fail", please refer to the explanatory text and the formula in the check cell and correct the input data to which the check refers. An overview of the results of all checks is provided on the "Checks" worksheet.

2.4   Process

The Basel Committee or its Secretariat will not collect any data directly from participating institutions. Therefore, participating institutions in participating countries should contact their supervisory agency to discuss how the completed workbooks should be submitted. National supervisors will forward the relevant data to the Secretariat of the Basel Committee where individual institution data will be treated strictly confidential and will not be attributed to individual institutions.

Similarly, participating institutions should direct all questions related to this study, the related rules, standards and consultative documents to their national supervisory agencies. Where necessary, the supervisory agencies will coordinate their responses through the Secretariat of the Basel Committee to provide responses that are consistent across countries. A document with responses to frequently asked questions will be maintained on the Basel Committee's website.[8]

Participating institutions should specify any instance where they had to deviate from the instructions provided in an additional document.

---

[7]   Depending on the regional options of the operating system used, it might be necessary to use a different decimal symbol. It might also be necessary to switch off the option "Enable automatic percent entry" in the Tools/Options/Edit dialog of Excel if percentages cannot be entered correctly.

[8]   www.bis.org/bcbs/qis/.

2.5   Reporting date

If possible, and unless the national supervisor has provided different guidance, generally all data should be reported as of **31 March 2013**. If data availability does not allow respondents to use this reporting date, suitable alternatives should be discussed with the relevant national supervisor.

2.6   Structure of the reporting template for the NIMM part of the Joint QIS

The reporting template for the NIMM part of the Joint QIS includes six worksheets:

- The worksheet "General Info" is intended to capture **general information** regarding the participating institutions, and **should be completed by all participating banks**.

- The worksheet "All banks" captures information relevant to the **NIMM** and **should be completed by all participating banks**;

- The worksheets "IMM banks IR", "IMM banks FX" and "IMM banks remaining classes" also capture information relevant to the **NIMM** but **should only be completed by banks currently using the Internal Model Method (IMM)**. These worksheets capture banks' measurements of their current exposures to a variety of counterparties using both their previous internal or non-internal model method, and the NIMM, for both margined and unmargined netting sets.

- The "Checks" worksheet summarises the results of the built-in data quality checks and is relevant for all participating banks.

3.   General information

The "General Info" worksheet gathers basic information that is needed to process and interpret the survey results, and should be completed by all participating institutions. The Table 2 below includes instructions for banks.

General Info template for banks   Table 2

Row	Column	Heading	Description
5	C	Country code	Leave blank
6	C	Bank number	Leave blank
7	C	Bank group	Leave blank
8	C	Conversion rate (in euros/reporting currency)	Leave blank
9	C	Submission date (yyyy-mm-dd)	Leave blank
10	C	Reporting date (yyyy-mm-dd)	Date as of which all data are reported in worksheets.
11	C	Reporting currency (ISO code)	**Three-character** ISO code of the currency in which all data are reported (eg USD, EUR).
12	C	Unit (1, 1000, 1000000)	Units (single currency units, thousands, millions) in which results are reported.

4. Template "All banks"

Banks should select the five largest margined and the five largest unmargined netting sets for five types of counterparty: banks; CCPs; other financials; non-financials; and sovereign/supra-nationals. Banks which use IMM should select the largest netting sets among those which are currently treated under a non-IMM method. Thus they should ignore the potentially larger netting sets treated under IMM.

The largest netting sets should be determined with respect to RWA using the non-IMM approach currently employed (CEM or Standardised Method). In case a bank does not calculate the EAD for a counterparty (which may be the case for exposures to CCPs), the largest netting sets should be determined with respect to initial margin posted to that counterparty.

The largest netting sets are selected separately for each type of counterparty, which are listed below. Thus the column E will contain different netting sets for each different type of counterparties.

4.1 Panel A: General data

In panel A, banks should indicate which type of non-IMM approach they are currently applying and where collateral is recognised.

Panel A: General data
Table 3

Row	Column	Heading	Description
10	D	Non-IMM currently applied	Please select from the drop-down menu which current non-internal model method is currently applied: • CEM; • SM; • Original exposure method.
11	D	In this method collateral is recognised in	Please select from the drop-down menu how collateral is recognised in the above stated method: • in EAD or in the Expected Exposure profile; • in LGD.

4.2 Panel B: Margined netting sets

In panel B, banks report data on the five largest **margined** nettings sets with each type of counterparty. A margined netting is a netting set for which there is a periodic exchange of collateral connected to the mark-to-market movements of the trades. All entries in column F refer to the largest margined netting set. All entries in column G refer to the second largest margined netting set. All entries in column H refer to the third largest margined netting set. All entries in column I refer to the fourth largest margined netting set. All entries in column J refer to the fifth largest margined netting set.

In rows 18 to 22, banks select the five largest margined netting sets among those nettings sets in which the counterparty is a bank. For these netting sets banks are requested to provide the following information.

Panel B: Margined netting sets

Table 4

Row	Column	Heading	Description
18	F–J	Number of transactions	Number of transactions in the netting set.
19	F–J	non-IMM currently used / EAD	Exposure-at-default of the netting set as computed under the currently used non-IMM. Banks should add collateral posted to the EAD calculated under the currently used non-IMM. In case a bank recognises collateral in the LGD, please state a "collateralised" EAD as follows $$EAD_{Collateralised} = EAD_{Uncollateralised} \cdot \frac{LGD_{Collateralised}}{LGD_{Uncollateralised}}$$
20	F–J	non-IMM currently used / RWA	Risk-weighted assets of the netting set as computed under the currently used non-IMM.
21	F–J	NIMM / EAD	Exposure-at-default of the netting set as computed under the NIMM, ie $1.4 \cdot (RC + PFE)$.
22	F–J	NIMM / RWA	Risk-weighted assets of the netting set as computed under the NIMM.

In rows 23 to 27, banks select the five largest margined netting sets for which the counterparty is a CCP, possibly including exchange-traded derivatives as envisaged in the Basel III framework (even if the extension of European CRR rules to exchange traded derivatives is not in force in their jurisdiction yet). For these netting sets the information requested in rows 23 to 27 is analogous to the information of rows 18 to 22, in which counterparties are banks. Thus the description is not repeated here. The description for completing, say cell F25 "non-IMM currently used / RWA" for the largest netting set can be found in row 20 above.

Furthermore banks are requested to select the five largest margined netting sets for which the counterparty is

- other financial, ie all financial institutions which are not a bank or a CCP,

- non-financial,

- sovereign/supra-national.

For these counterparties the information requested is analogous to the information of rows 18 to 22, in which counterparties are banks. Thus the description is not repeated here.

Furthermore, banks are asked to consider their total risk weighted assets for the purposes of the CCR default charge for each counterparty type in column C of panel B.

Panel B: Margined netting sets

Table 5

Row	Column	Heading	Description
21	C	Total RWA for CCR default charge for "Bank" counterparties	The total risk-weighted assets for the CCR default charge should be calculated by summing all RWA of counterparties which are banks, irrespective of if the netting is margined or unmargined and irrespective of the methods currently used to compute the exposures (IMM or non-IMM). Hence at this point IMM banks should also include their exposure treated under IMM.

The information requested in rows 26, 31, 36 and 41 is analogous to the information requested in row 21, in which counterparties are banks. Thus the description is not repeated here.

Finally, Banks are asked to also consider **unmargined** netting sets in panel C. An unmargined netting set is a netting set for which there is no exchange of collateral connected to either the mark-to-market movements or the potential future exposure of the trades. They should select the five largest unmargined netting sets for each type of counterparty. The information requested in the block of rows 49 to 68 for columns F to J is analogous to the information of the block rows 18 to 41, in which margined netting sets are considered. Thus the description is not repeated here. The description for, say Cell F51 "non-IMM currently used / RWA" of the largest netting set can be found in row 20 above.

5.   Templates for IMM banks

5.1   General remarks for IMM banks

The following remarks address the worksheets "IMM banks IR", "IMM banks FX", and "IMM banks remaining classes", which are to be filled only by banks using an Internal Model Method (IMM).

Panel A: General data

These banks should indicate the **type of haircuts** they are using. Banks should select this from the drop-down menu in the worksheet "IMM banks IR"; the selected case will be automatically replicated in the worksheets "IMM banks FX", and "IMM banks remaining classes".

Panel A: General data			Table 6
Row	Column	Heading	Description
8	D	Collateral haircut estimates are	Please select from the drop-down menu how haircuts for the NIMM are determined: • regulatory haircuts • own estimates derived by the bank

Panel B

For each asset class banks select **three margined** and **three unmargined** netting sets according to the selection criteria in the following paragraph. This selection remains unchanged within one asset class. (It is not the case that for, say trades in US-dollars, netting sets are selected with respect to their exposure in US-dollars.) However, the selection differs between the different asset classes.

For each of the five asset classes (IR, FX, Credit, Equity, Commodity) the banks should consider only netting sets where the number of transactions lies:

• between 100 and 10,000 in case of margined netting sets; and

• between 50 and 1,000 in case of unmargined netting sets.

Amongst these netting sets banks should select the three netting sets which have the highest percentage of the number of transactions falling within the respective asset class over the number of all transactions in the netting set. Banks should not consider netting sets where this lies below 80%. In case these netting sets are clearly dominated by other asset classes than the respective asset class in terms of notional, the bank should communicate this issue with its national supervisor. In case for all netting sets this percentage lies below 80%, the bank should address its national supervisor, who may decide on a different selection scheme in order that some netting sets can be reported. The first selection criterion tries to reduce the burden for the banks. Very large netting sets with more than 10,000 transactions (in case of margined netting sets) or more than 1,000 transactions (in case of unmargined transactions) do not need to be considered. The second selection criterion should ensure that banks report netting sets,

which have a high percentage of transactions falling within the given asset class. These netting sets will be crucial for the assessment of the calibration of the NIMM for each asset class. No selection criterion refers to the NIMM. Hence the NIMM is computed only for six netting sets per asset class (and not for all netting sets).

Various data is requested on a netting set level. This data is the same for all five asset classes. Hence its description is stated only once here, but applies analogously to all five asset classes in the three templates.

On a netting set level, banks provide the following data in each of the worksheets "IMM banks IR", "IMM banks FX", and "IMM banks remaining classes", for each asset class:

Panel B   Table 7

Row	Column	Heading	Description
15	D–I	EEPE under IMM	Expected Positive Exposure of the netting set, as computed under the IMM. For margined netting sets, banks should report the exposure computed under their currently-used IMM method, which is either a "full margining model" or an IMM shortcut method.
16	D–I	Number of transactions	Total number of all transactions in the netting set
17	D–I	Mark-to-market value	Current mark-to-market value of the netting set.
18	D–I	Gross notional	Sum of all notionals in the netting set.
19	D, E, F	Replacement cost	Replacement cost of the margined netting set as computed under the NIMM, ie $$RC_{\text{Margin}} = \max\left\{ V - C_{net}^{cash} \ ; \ TH + MTA - NICA \ ; \ 0 \right\}$$
19	G, H, I	Replacement cost	Replacement cost of the unmargined netting set as computed under the NIMM, ie $$RC_{\text{No Margin}} = \max\left\{ V - C_{net}^{cash} \ ; \ 0 \right\}$$
21	D–I	Net collateral	Initial net collateral held or posted by the bank in the netting set. Note that collateral held enters with a positive sign and collateral posted enters with a negative sign in net collateral. This includes net independent collateral amount NICA and variation margin, but excludes any disputed amounts. "Net collateral" should reflect current collateral values without applying any haircuts.
22	D–I	Cash-equivalent net collateral	Initial cash-equivalent collateral in the netting set. The value of non-cash collateral posted by the bank is increased, and the value of non-cash collateral received by the bank is decreased using supervisory or own-estimate haircuts. The haircuts should be reflective of the appropriate margin period of risk. Note that collateral held enters with a positive sign and collateral posted enters with a negative sign in net collateral.
24	D, E, F	Margin period of risk	Margin period of risk of the margined netting set.
25	D, E, F	Shortcut method add-on (when applicable)	Banks which are currently using the shortcut method should state the add-on of the netting set as computed under the shortcut method in the IMM. Banks not using the shortcut method should leave this cell empty.

For the worksheet "IMM banks FX", the analogous data from the above table should be entered for FX derivatives starting at row 15. For the worksheet "IMM banks remaining classes", the analogous

data from the above table should be entered for credit derivatives starting at row 15; equity derivatives starting at row 66; and commodity derivatives starting at row 117.

In addition, banks should report the add-on for potential future exposure (PFE) as computed under the NIMM of the remaining asset classes, which could add up to maximal 20% of the number of transactions. The description is stated here exemplary for the case when at least 80% of the number of transactions belong to the asset class of interest rates.

Panel B   Table 8

Row	Column	Heading	Description
26	D–I	FX / PFE add-on	The PFE add-on for FX derivatives in the netting set as computed under the NIMM, ie $AddOn^{(FX)}$
27	D–I	Credit / PFE add-on	The PFE add-on for credit derivatives in the netting set, ie $AddOn^{(Credit)}$
28	D–I	Equity / PFE add-on	The PFE add-on for equity derivatives in the netting set, ie $AddOn^{(Equity)}$
29	D–I	Commodity / PFE add-on	The PFE add-on for commodity derivatives in the netting set, ie $AddOn^{(Commodity)}$

For the worksheet "IMM banks FX", row 26 refers to the PFE add-on for interest rate derivatives in the netting set as computed under the NIMM.

For the worksheet "IMM banks remaining classes":

- For credit derivatives (panel B), banks should analogously enter the PFE add-ons for interest rate derivatives in cells D56 to I56; and for FX derivatives in cells D57 to I57. Cells D58 to I58 and D59 to I59 are analogous to cells D28 to I28 and D29 to I29 in the panel above.

- For equity derivatives (panel C), banks should analogously the PFE add-on for interest rate derivatives in cells D107 to I107; for FX derivatives in cells D108 to I108; and for credit derivatives in cells D109 to I109. Cells D110 to I110 are analogous to cells D29 to I29 in the panel above.

- For commodity derivatives (panel D), banks should analogously enter the PFE add-on for commodity derivatives in cells D141 to I141; for FX derivatives in cells D142 to I142; for credit derivatives in cells D143 to I143; and for equity-derivatives in cells D144 to I144.

5.2   Template "IMM banks IR"

This template is only to be filled by IMM banks. It addresses interest rate derivatives. The three margined and three unmargined netting sets have to be selected as described above under general remarks. The description for the data on netting set level in rows 8 and 15 to 25 can also be found above.

In the NIMM, each currency is treated as one hedging set. For a trade the currency is defined by the base currency of the primary interest rate risk factor. Every currency, which appears in one of six selected netting sets, must be stated. For each currency there is a block. The first block ranges from row 30 to row 36. For the next currency, there is the second block in rows 37 to 43, etc. Here we only describe the entries for the first block. The entries for the subsequent blocks of the remaining currencies are analogous.

Panel B: Interest rate derivatives

<div align="right">Table 9</div>

Row	Column	Heading	Description
30	D–I	Number of transactions	Number of transactions in the respective currency in the netting set.
31	D–I	Remaining maturity < 1y	Effective notionals of trades in the respective currency with a remaining maturity strictly below one year in the netting set, ie $\sum_{i \in Currency_j, MB_{1,}} \delta_i \, d_i^{(IR)}$
32	D–I	1y ≤ Remaining maturity < 2y	Effective notionals of trades in the respective currency with a remaining maturity above one year and strictly below two years in the netting set, ie $\sum_{i \in Currency_j, MB_{2,}} \delta_i \, d_i^{(IR)}$
33	D–I	2y ≤ Remaining maturity < 5y	Effective notionals of trades in the respective currency with a remaining maturity above two years and strictly below five years in the netting set.
34	D–I	5y ≤ Remaining maturity < 10y	Effective notionals of trades in the respective currency with a remaining maturity above five years and strictly below ten years in the netting set.
35	D–I	10y ≤ Remaining maturity < 20y	Effective notionals of trades in the respective currency with a remaining maturity above ten years and strictly below twenty years in the netting set.
36	D–I	20y ≤ Remaining maturity	Effective notionals of trades in the respective currency with a remaining maturity above twenty years in the netting set.

5.3   Template "IMM banks FX"

This template is only to be filled by IMM banks. It addresses exchange rate derivatives. The three margined and three unmargined netting sets have to be selected as described above under general remarks. The description for the data on netting set level in rows 15 to 25 can also be found above.

In the NIMM, each currency pair is treated as one hedging set. For each currency pair there is a block. The first block ranges from row 30 to 31. Here we describe the entries for the first block. The entries for the subsequent blocks of the remaining currency pairs are analogous.

Panel B: FX derivatives

<div align="right">Table 10</div>

Row	Column	Heading	Description
30	D–I	Number of transactions	Number of transactions in the respective currency pair in the netting set.
31	D–I	Effective notional	Effective notionals of trades in the respective currency pair, ie $EffectiveNotional_j = \sum_{i \in CurrencyPair_j} \delta_i \, d_i^{(FX)}$

5.4   Template "IMM banks remaining classes"

This template is only to be filled by IMM banks. It addresses credit, equity, and commodities derivatives. The three margined and three unmargined netting sets have to be selected as described above under general remarks.

Furthermore netting sets with substantial exposure to at least three asset classes are addressed. The scheme how to select these netting sets can be found below.

The description for the data on netting set level for credit derivatives in rows 15 to 25 and 56 to 59; for equity derivative in rows 66 to 76 and 107 to 110; for commodity derivatives rows 117 to 127 and 141 to 147; and for netting sets with exposure to at least three asset classes in rows 144 to 151 can be found above under general remarks.

Panel B: Credit derivatives

For credit derivatives a breakdown into geographical regions is requested. A position should be assigned to a broad region category based on the bank's own regional categorisation of the primary underlying reference name, if available. Otherwise it should be based on the location of the parent entity of this primary underlying reference name. For this purpose, Australia and New Zealand are treated as part of Asia. In case that the reference entity is an index with exposures in several regions, it can be assigned to any of those regions (and ideally to the region, which is dominant in terms of exposure). For each region there is a block, as the first block ranging from rows 26 to 30. Here the entries are described for the first block of the region "Europe". The entries for the subsequent blocks of the remaining regions are analogous.

Further the NIMM requires a breakdown whether a trade references a single entity or an index.

Panel B: Credit derivatives

Table 11

Row	Column	Heading	Description
26	D–I	Number of transactions	Number of transactions based in the respective region in the netting set.
27	D–I	Sum of add-ons of single-name entities	The sum of add-ons of single-name entities in the respective regions, ie $\sum_{k \in SingleNames, Region} AddOn(Entity_k)$
28	D–I	Sum of add-ons of index entities	The sum of add-ons of index entities in the respective region, ie $$\sum_{k \in Indices, Region} AddOn(Entity_k)$$
29	D–I	Sum of squares of add-ons of single-name entities	The sum of squares of add-ons of single-name entities in the respective region, ie $$\sum_{k \in SingleNames, Region} (AddOn(Entity_k))^2$$
30	D–I	Sum of squares of add-ons of index entities	The sum of squares add-ons of index entities, ie $$\sum_{k \in Indices, Region} (AddOn(Entity_k))^2$$

Panel C: Equity derivatives

For equity derivatives a breakdown into geographical regions and into single entity vs index is requested in this QIS. This breakdown is analogous to credit derivatives and the description is not repeated. The description for, say cell C79 "Sum of add-ons of index entities", can be found in row 28 of credit derivatives above.

Panel D: Commodity derivatives

The NIMM considers four major commodity categories as different hedging sets. For the three categories Metal, Agriculture, and Other the same information is requested. The description is provided exemplary for the category of Metal, the other categories are analogous.

Panel D: Commodity derivatives

Table 12

Row	Column	Heading	Description
128	D–I	Number of transactions	Number of transactions in the respective commodity category in the netting set.
129	D–I	Sum of effective notionals	The sum of trade-level effective notionals of transactions in the respective commodity category in the netting set, ie $$\sum_{k \in HS_j} \sum_{i \in Type_k^j} \delta_i \, d_i^{(Commodity)}$$
130	D–I	Sum of squares of effective notionals	The sum of squares of trade-level effective notionals of transactions in the respective commodity category in the netting set, ie $$\sum_{k \in HS_j} \left(\sum_{i \in Type_k^j} \delta_i \, d_i^{(Commodity)} \right)^2$$

Regarding the commodity category energy, the QIS requires a breakdown into trades in electricity vs trades in the remaining types of the category energy such as oil, gas and coal. We state the description of each field in the category energy.

Panel D: Commodity derivatives

Table 13

Row	Column	Heading	Description
137	D–I	Number of transactions	Number of transactions in Energy in the netting set.
138	D–I	Sum of effective notionals of transactions in Energy excluding Electricity	The sum of trade-level effective notionals of transactions in Energy excluding Electricity in the netting set, ie $$\sum_{\substack{k \in NOT \\ Electricity}} \sum_{i \in Type_k^{Energy}} \delta_i \, d_i^{(Commodity)}$$
139	D–I	Sum of squares of effective notionals of transactions in Energy excluding Electricity	The sum of squares of trade-level effective notionals of transactions in Energy excluding Electricity in the netting set, ie $$\sum_{\substack{k \in NOT \\ Electricity}} \left(\sum_{i \in Type_k^{Energy}} \delta_i \, d_i^{(Commodity)} \right)^2$$
140	D–I	Effective notional of Electricity	The trade-level effective notional of Electricity in the netting set, ie $$\sum_{i \in Type_{Electricity}^{Energy}} \delta_i \, d_i^{(Commodity)}$$

Panel E: Derivatives of at least three asset classes

Finally the three largest margined and three largest unmargined netting sets with exposures in at least three asset classes (IR, FX, Credit, Equity, Commodity) are requested. These nettings sets are selected by the following **scheme**:

- Consider all netting sets which include derivatives from at least three asset classes.

- Among these, eliminate all netting sets in which the number of transactions in one asset class over the total number of transactions in the netting set lies above 60%.

- Among these, consider only netting sets with the number of transactions lying between 100 and 10,000 in case of margined netting sets or between 50 and 1,000 in case of unmargined netting sets.

- Among these, select the three largest netting sets in terms of EEPE as computed under IMM.

The last fields to fill in are rows 161 to 165, which ask for the PFE add-on of the netting set of each of the five asset classes IR, FX, Credit, Equity, and Commodity, as computed under NIMM.

Panel E: Derivatives from at least three different asset classes

Table 14

Row	Column	Heading	Description
161	D–I	IR / PFE add-on	The PFE add-on for interest rate derivatives in the netting set, ie $AddOn^{(IR)}$
162	D–I	FX / PFE add-on	The PFE add-on for FX derivatives in the netting set, ie $AddOn^{(FX)}$
163	D–I	Credit / PFE add-on	The PFE add-on for credit derivatives in the netting set, ie $AddOn^{(Credit)}$
164	D–I	Equity / PFE add-on	The PFE add-on for equity derivatives in the netting set, ie $AddOn^{(Equity)}$
165	D–I	Commodity / PFE add-on	The PFE add-on for commodity derivatives in the netting set, ie $AddOn^{(Commodity)}$