

# Money Market Statistical Reporting (MMSR)

## Questions and answers

### 1 Questions regarding the implementation of Regulation ECB/2014/48

#### 1.1 Timeliness

1. Given the tight reporting timeframe – would an extension of the deadline until noon on T+1 be possible or would it be possible to align it with the timeframe for EMIR reporting (by T+1 cob). The tight reporting deadline of 7.00 a.m. CET on T+1 could lead to less accurate data and to a higher number of corrections and thus to a higher reporting burden. In addition, this generates doubts on how a reporting agent would handle transactions conducted after 6.00 p.m. CET.

**Eurosystem reply:** Reporting deadlines reflect internal ECB business needs and processes – to make the data usable for the daily activities in which the market developments of the previous business day are reviewed and analysed. The timeframe for the transmission of data is set down in Article 4 of Regulation ECB/2014/48. As the deadline for reporting is 7 a.m. CET on T+1 there is sufficient time to capture any transactions concluded after 6 p.m. CET on day T. To reduce the reporting burden, it is also possible to transmit the data at 6 p.m. CET on day T where all of the transactions are concluded before 6 p.m. CET. Furthermore, revisions can be transmitted together with the new daily transactions that are sent to the relevant national central bank (NCB) or the ECB or in a separate file where this is agreed with the respective NCB or the ECB.

2. The deadline at 7.00 a.m. T+1 would likely pose processing problems given that there are dependencies on CCP data which is only available post close of business on T.

**Eurosystem reply:** Exceptionally, trades may also be reported back-dated if only booked on the reporting agent's balance sheet on T+1. In the case of tri-party operations using pre-set pools of collateral, the detailed allocated collateral information is not needed as for these trades only the ISIN of the pool is requested.

3. If a reporting agent conducts business in different EU time zones, it can happen that trades are booked after 6.00 p.m. CET on T; are these trades to be reported with the trades of T or they could be included in the T+1 reports?

**Eurosystem reply:** Reporting must take place between 6 p.m. CET on T and 7 a.m. CET on T+1. Only transactions undertaken/booked by Union and EFTA-located branches will have to be reported. Hence, in the case of transactions concluded after

6 p.m. CET within the EU time zones, a transmission should still take place by 7 a.m. CET on T+1.

4. In case reporting agents report directly to the ECB the cut off time is at 7.00 a.m. CET, while if they report via NCB data should be available to the ECB at 7.00 a.m. CET. Does this mean that the deadline for data transmission will be earlier in case the data are sent to an NCB? If that were the case, it could create difficulties for the reporting.

**Eurosystem reply:** Where a national central bank (NCB) decides to collect data, the time constraint for the reporting agents is decided by the respective NCB. As stated in Article 4(3) of Regulation ECB/2014/48, the NCB will inform the reporting agents of the cut-off time.

## 1.2 Scope of reporting

### 1.2.1 Related to the secured market segment

5. Annex 1 of Regulation ECB/2014/48 relates to repo transactions. Could you please provide clarification on whether equity securities lending transactions are within the scope of the MMSR reporting framework?

**Eurosystem reply:** Please note that if equity lending or borrowing takes place against cash, the transaction must be reported.

6. **NEW:** Most of the equity loans are open and it is not a common market practice to inform a possible future Call date. They are considered as “long term” instruments. Do they have to be reported?

**Eurosystem reply:** Here the same logic would apply as for open repos, i.e. the maturity date would be the first date on which the operation can be terminated/ closed (call date).

7. The reporting does not appear to cover close-out of open positions so will only cover one leg of the repo transaction. Is this what is intended?

**Eurosystem reply:** This is correct. Close-out of open repos does not need to be reported.

8. Can you please confirm that all transactions under GMRA (buy and sell backs) are included under repurchase transactions? Can you please confirm that transactions under GMSLA are out of scope? It is not clear whether Security lending and TCF and/or total return swaps for security finance are included.

**Eurosystem reply:** Buy and sell-back transactions are included in the scope of the reporting. Securities lending is included in the reporting only if it is against cash.

9. If the main activity of a reporting agent with respect to the repo market is on an agency and not on principal basis, the assumption would be that only principal transactions should be reported. Could you please provide clarification in this respect?

**Eurosystem reply:** All transactions booked on the reporting agent's balance sheet meeting the definitions in Regulation ECB/2014/48 need to be reported. We understand that agency transactions are not booked on the reporting agent's balance sheet and therefore they are excluded.

10. With respect to repurchase agreements and transactions, do we have to include in the report the securities lending too?

**Eurosystem reply:** Only security lending against cash should be reported. Reporting agents must report all secured transactions (repo and reverse repo) that they are booking under their name with their counterparties. If a repo and a reverse repo are packed together, both operations are reported separately as one lending of cash versus securities and one borrowing of cash versus securities respectively. However, if it is a "pure" security lending (security against security) this transaction should not be reported; only security lending against cash has to be reported.

11. **NEW:** Securities lending: in case the securities lending transaction is against securities, is clear that there is no reporting of this transaction. However, in some cases, there is in addition a small amount of cash included to align the market value of both securities.  
Is it correct to assure that these cases should not be reported under MMSR, because the aim of these transactions is receiving a security and not receiving cash?

**Eurosystem reply:** Yes, this assumption is correct.

12. Are PSPP Security Lending transactions which are conducted as repo and reverse repo (with the aim of cash neutrality) reportable under the MMSR reporting framework?

**Eurosystem reply:** These transactions are considered securities against cash and as such they need to be reported. Please note that the fee should be reported as the difference in the interest rate of the repo and that of the corresponding reverse repo.

13. Open repurchase agreements: Open repos will have a change in maturity date each day. Do reporting agents therefore submit a new transaction each day as a renegotiation?

**Eurosystem reply:** An open repo rollover should be reported as a NEW transaction with the new maturity date and new deal rate. It is expected that these transactions are reported each day when the rollover occurs. For open repos, the maturity date for the reporting agents should be the first date on which the operation can be terminated/closed (call date).

14. Open repurchase agreements: When reporting an open repo each day as a new transaction, would reporting agents use the original trade date or the date of amendment in the trade date field?

**Eurosystem reply:** Reporting agents should report the date on which the rollover (amendment) is agreed and booked.

15. Open repurchase agreements: When reporting an open repo each day as a new transaction, what rate should reporting agents use since this is not technically a new repo. Would reporting agents use the original rate or the rate of amendment, i.e. the current day?

**Eurosystem reply:** Reporting agents should report the rate of the rollover.

16. Open repurchase agreements: If reporting agents are going to send a new trade each day for open maturities, what trade date do they use for reporting and calculations - the original trade date or the current date?

**Eurosystem reply:** Reporting agents should report the date on which the rollover (amendment) is agreed and booked.

The following examples focus on how to report open repos in terms of maturity dates and deal rates (in these examples, the other fields are deliberately omitted, but would also need to be populated according to the relevant requirements):

- (a) Example of open repo reporting – fixed rate which stays unchanged for two consecutive days.

Initial trade takes place on 2 December with settlement on 3 December and with first possible termination date on 4 December.

On 3 December the trade is rolled over with the same rate and a new first possible termination date on 7 December. The open repo should be reported as follows:

On 2 December: 'Trade Date': 2 December; 'Settlement Date': 3 December; 'Maturity Date': 4 December (as this is the first possible termination date); 'Deal Rate': -0.19%; 'Proprietary Transaction Identification': 1, 'Transaction Status': NEWT.

On 3 December: 'Trade Date': 3 December; 'Settlement Date': 4 December; 'Maturity Date': 7 December (as this is the first possible termination date); 'Deal Rate': -0.19%; 'Proprietary Transaction Identification': 2, 'Transaction Status': NEWT.

- (b) Example of open repo reporting – fixed rate which changes.

Initial trade takes place on 2 December with settlement on 3 December and with first possible termination date on 4 December.

On 3 December the trade is rolled over with a new rate and a new first possible termination date on 7 December. The open repo should be reported as follows:

On 2 December: 'Trade Date': 2 December; 'Settlement Date': 3 December; 'Maturity Date': 4 December (as this is the first possible termination date); 'Deal Rate': -0.19%; 'Proprietary Transaction Identification': 1, 'Transaction Status': NEWT.

On 3 December: 'Trade Date': 3 December; 'Settlement Date': 4 December; 'Maturity Date': 7 December (as this is the first possible termination date); 'Deal Rate': -0.17% (as this is the new rate applicable to the open repo which is rolled over); 'Proprietary Transaction Identification': 2, 'Transaction Status': NEWT.

(c) Example of open repo reporting – variable rate with unchanged spread.

Initial trade takes place on 2 December with settlement on 3 December and with first possible termination date on 4 December. The reference rate index is EONIA.

On 3 December the trade is rolled over with the same spread and a new first possible termination date on 7 December. The open repo should be reported as follows:

On 2 December: 'Trade Date': 2 December; 'Settlement Date': 3 December; 'Maturity Date': 4 December (as this is the first possible termination date); 'Reference Rate Index': EU0009659945 (this is the ISIN for EONIA); 'Basis Point Spread': 2; 'Proprietary Transaction Identification': 1, 'Transaction Status': NEWT.

On 3 December: 'Trade Date': 3 December; 'Settlement Date': 4 December; 'Maturity Date': 7 December (as this is the first possible termination date); 'Reference Rate Index': EU0009659945 (this is the ISIN for EONIA); 'Basis Point Spread': 2; 'Proprietary Transaction Identification': 2, 'Transaction Status': NEWT.

(d) Example of open repo reporting – variable rate with changing spread.

Initial trade takes place on 2 December with settlement on 3 December and with first possible termination date on 4 December. The reference rate index is EONIA.

On 3 December the trade is rolled over with a new spread and a new first possible termination date on 7 December. The open repo should be reported as follows:

On 2 December: 'Trade Date': 2 December; 'Settlement Date': 3 December; 'Maturity Date': 4 December (as this is the first possible termination date); 'Reference Rate Index': EU0009659945 (this is the ISIN for EONIA); 'Basis Point Spread': 2; 'Proprietary Transaction Identification': 1, 'Transaction Status': NEWT.

On 3 December: 'Trade Date': 3 December; 'Settlement Date': 4 December; 'Maturity Date': 7 December (as this is the first possible termination date); 'Reference Rate Index': EU0009659945 (this is the ISIN for EONIA); 'Basis Point Spread': 5 (as this is the new spread applicable to the open repo which is rolled over); 'Proprietary Transaction Identification': 2, 'Transaction Status': NEWT.

17. Open repurchase agreements: For an open trade, as the End Date is Open, reporting agents cannot determine what the Deal Rate will be. This will only come in when the transaction is closed.

**Eurosystem reply:** The initially agreed interest rate applied to the cash borrowed/lent – i.e. the resulting interest income representing the remuneration – should be reported.

18. Regarding the secured market: In case of amortising underlying should we report the original nominal or the current nominal of the security?

**Eurosystem reply:** The reporting agent should report the collateral amount pledged in the reported transaction – as at the moment when the deal was executed. There is no need for the amortisation of the underlying to be reported.

19. **NEW:** Are transactions relating to forfeiting within the scope of reporting?

**Eurosystem reply:** Transactions relating to forfeiting (i.e. corporate lending secured by trade receivables) are not within the scope of the secured segment. Also the payments between banks related to forfeiting do not have to be reported.

20. **NEW:** If the cash leg of a repo transaction is in a foreign currency (and not in euro) but only the collateral is in euro, could you please confirm that this transaction should not be reported?

Moreover, if the cash leg is in euro but the collateral is not, the collateral nominal amount needs to be converted into euro (according to the MMSR Reporting Instructions); could you please confirm this?

**Eurosystem reply:** We confirm that both assumptions are correct.

21. **NEW:** A strategy composed of several repo trades: should all of them be reported? If so, in which way should they be reported, separately or as an aggregate? And in relation to this example, if the strategy is composed of different repos some of them with maturity over 397 days after settlement – should any of the repos in scope be reported? On the contrary, if the whole strategy is designed in a time frame over 397 days, should any of the trades contained in it be reported?

**Eurosystem reply:** All repos should be reported separately, regardless of whether they are part of a strategy or not. Only MMSR-eligible transactions should be reported – in that respect, any deals with maturity over 397 days after settlement should not be reported.

22. **NEW:** If a security lending (against cash) is terminated prior to the maturity date and this termination has been executed without payment of a penalty fee, but the collateral has simply been returned to the lender, is this reportable under the MMSR?

**Eurosystem reply:** This early termination should not be reported.

23. **NEW:** Are repo transactions collateralised by commodities within the scope of reporting?

**Eurosystem reply:** Yes, these operations are within its scope.

24. **NEW:** Should T-bills be reported?

**Eurosystem reply:** T-bills alone are outside the scope of Regulation ECB/2014/48. T-bills should only be reported (with their ISIN code) if used as collateral in repo and securities lending operations.

### 1.2.2 Related to the unsecured market segment

25. As the reporting of the call accounts/call money has some crucial specifics, could you please provide clarification for the reporting of this type of instruments?

**Eurosystem reply:** Unlike deposits on current accounts, call accounts have to be reported for the unsecured money market segment. For call accounts, the first date on which the instrument may be redeemed must be provided as the maturity date. This is usually the next business day.

Following a change to the Reporting Instructions, the fields 'Call or Put' and 'First Call/Put Date' do not have to be reported for call accounts.

Should the amount placed on a call account remain the same on the next business day, this is interpreted as a rollover. A rollover is a new transaction (with flag 'NEWT' and a new Proprietary Transaction Identification (PTI)).

Therefore, it is mandatory to report every day the outstanding amounts of all call accounts (at the end of the business day) and not the individual changes occurring on the call account during the trade day. Repayments do not have to be reported as separate transactions.

See the following example by way of illustration:

Day	Transaction	Amount	PTI
T	New call account	100.000	„1“
T+1	No action, i.e. rollover	100.000	„2“
T+2	Rollover and further increase of the volume by 50.000	150.000	„3“
T+3	Repayment of 120.000	30.000	„4“
T+4	Termination of call account	No reporting	-

26. Should the “call account” instrument type for the unsecured market segment also include collateral cash accounts? If that is the case, how should it be reported?

**Eurosystem reply:** Collateral cash accounts are not required to be reported.

27. Does the definition of reportable instruments include borrower note loans (*Schuldscheine*)?

**Eurosystem reply:** Yes, depending on the underwriter of the instrument. If the underwriter is a retail investor, *Schuldscheine* should **not** be reported. In all other cases these deals should be reported.

28. Does the definition of reportable instruments include covered bonds (*Pfandbriefe*)?

**Eurosystem reply:** For unsecured market reporting of short-term securities, reporting agents report their activity in primary markets, not trading on short-term securities in secondary markets. Hence, they would need to report their issuance in primary markets of covered bonds (by definition mortgage pfandbrief) with a maturity of less than 397 days.

29. Does the sale/repurchase of securities (with maturity less than 397 days since the settlement date) as part of price management have to be reported?

**Eurosystem reply:** The initial sale of securities (primary market activity in commercial papers, certificates of deposit and other types of short-term security) has to be reported. The repurchase of such securities as part of price management should not be reported.

30. Reporting is required for deposits and loans. Are those money market deposits and loans or all types of deposits and loans?

**Eurosystem reply:** On the lending side, only transactions conducted with other credit institutions need to be reported. On the borrowing side, along with the transactions conducted with other credit institutions, borrowing from other financial intermediaries (OFIs), insurance corporations, pension funds, central banks (excluding transactions related to Eurosystem tender operations and standing facilities) and general government, as well as transactions with non-financial corporations classified as 'wholesale' under the Basel III LCR framework, also need to be reported. Only money market transactions with a maturity of less than 397 days after the settlement date have to be reported.

31. Floating Rate Note (FRN): does this include only papers with *original* maturity less than one year or could it also include papers with original maturity more than one year but *remaining* maturity less than one year?

**Eurosystem reply:** Only instruments/papers with **original maturity** of less than or equal to one year (up to 397 days after the settlement date) should be reported.

32. It is mandatory to consider for reporting any **purchase on the secondary market** of securities issued by a credit institution when the security has a residual maturity up to one year?

**Eurosystem reply:** No, only transactions involving the purchase (or issuance of) a short-term security in the **primary market** need to be reported.

33. Should short term (less than 1 year maturity) fixed deposits with insurance companies and/or pension funds be reported?

**Eurosystem reply:** Yes, they should be reported.

34. In the instrument type description for certificate of deposits, commercial paper and asset backed commercial paper, it is said "issued by an MFI". The scope definition



says 'lending to other credit institutions (...) via the purchase from the issuing credit institutions (...)', but it does not mention that these institutions must be MFIs. Therefore, are 'lending deals to credit institutions that are not MFIs' reportable under Regulation ECB/2014/48?

**Eurosystem reply:** All lending via purchases of short-term securities issued by other credit institutions on the primary market must be reported. All credit institutions are considered to be monetary financial institutions (MFIs) (please refer to the ECB's lists of financial institutions:

<https://www.ecb.europa.eu/stats/money/mfi/html/index.en.html>).

35. On the unsecured market segment, are current accounts included into the scope of the MMSR reporting framework?

**Eurosystem reply:** No, current accounts are outside the scope of MMSR and should not be reported.

36. Could you please clarify whether the selling on secondary market of own securities when the security have a residual maturity of up to one year, should be reported?

**Eurosystem reply:** No, only issuance of short-term securities with an initial maturity of up to one year needs to be reported, but no transactions relating to the secondary market.

37. Are re-openings of an issuance considered to be reported and if yes, how?

**Eurosystem reply:** Re-openings are currently outside the scope of MMSR data collection.

38. Could you please clarify what should be considered as primary market for the MMSR purposes?

**Eurosystem reply:** Regarding the matter of increases of (existing) issues, primary market transactions will be considered as those involving paper issued and bought at issuance (on the issuance day) directly from the issuer. Typically the accrued interest on such a trade is zero. In that sense, the buyer purchases either from the issuer directly or from a dealer who distributes the paper – commercial paper for example. The main criterion for identifying the primary market is not only the counterparty (which in the primary market would be the same as the issuing entity) but the absence of accrued interest at the settlement date of the purchase.

Moreover, two types of primary market transaction should be reported:

- (a) At **issuance** of short-term securities, i.e. **borrowing of funds**. This excludes buy-back and reselling as these are secondary market trades; and
- (b) When **purchasing** short-term securities on the **primary market** (issued by a counterparty), i.e. **lending of funds**. This excludes purchase from a third party as this is a secondary market trade.

39. Could you please provide some further clarification on the reporting of securities issuances?

**Eurosystem reply:** Short-term securities issuance (with a maturity of up to one year) by the reporting agents as well as underwriting from reporting agents of short-term securities issues by other credit institutions must be reported. Secondary market transactions do not need to be reported.

40. Are investment certificates and current accounts of MFIs (debit and credit) within the scope of MMSR reporting?

**Eurosystem reply:** No, investment certificates and current accounts of monetary financial institutions (MFIs) are not within the scope of the MMSR framework.

41. The Wholesale-Definition refers in general to "deposits". Which deposits are taken into account in the definition? Are e.g. current accounts included?  
In addition, the total amount of deposits belonging to one NFC might change every day. Are Reporting Agents therefore expected to check daily, whether transactions with a specific NFC are to be reported?

**Eurosystem reply:** Under the MMSR framework, the definition of the transactions with non-financial corporations (NFC) to be reported allows for two alternative regimes to be applied in a transitory period:

- (a) the client internal classification which should be stable over time and comply with the classification for liquidity coverage ratio (LCR) purposes; or
- (b) the size of the individual transactions with only transactions with a nominal amount above the threshold to be reported.

After the transitory period only the client classification will be applied.

Hence, there is no need for a daily recalculation of the deposit holdings of the NFCs to determine whether transactions with a given NFC need to be reported.

42. **NEW:** Non-Financial Corporation classified as "wholesale" according to the Basel 3 LCR framework: is it correct that in all deposits of the relevant NFC are taken into account for the amount of EUR 1 million, including especially current accounts?

**Eurosystem reply:** The calculation of aggregate funding and classification of an entity as a wholesale non-financial corporation (NFC) is distinct from the MMSR framework (indeed current accounts are outside the scope of MMSR).

However, current accounts should be included for the purpose of the wholesale classification calculation. The aggregate funding exposure of the bank to the small business customer for the purpose of the EUR 1 million threshold is calculated by taking all funds extended to this category of customer into consideration – this includes current accounts as they represent liabilities like any other.

43. Asset backed commercial paper: Could you please specify "... backed by *some form* of collateral"?
- Eurosystem reply:** "... some form of collateral ..." in the case of asset-backed commercial paper (ABCP) refers to any type of asset which could be used as collateral.
44. **NEW:** How should bank issues with implicit optionality and the purchase and sale of bonds with optionality (i.e. structured notes) be reported?
- Eurosystem reply:** Call/put options and the respective call/put dates/notice periods need to be reported; bonds with other optional elements do not need to be reported. The settlement price should be reported net of the option value.
45. **NEW:** Are "term deposit" within the reporting scope of the unsecured segment; possibly considered "as unsecured deposits"?
- Eurosystem reply:** Please note that "term accounts" are considered as term deposits and would therefore need to be reported as unsecured deposits. However, when the term accounts are subscribed by retail they are outside the scope of MMSR.
46. **NEW:** In case of unsecured lending, via purchase on the primary market: If the reporting agent purchases such an issuance in the context of Sales activity – i.e. it buys it for its Institutional Clients and don't keep it on its books – should this be reported?
- Eurosystem reply:** No, operations conducted on behalf of clients are outside the scope of the MMSR framework.
47. **NEW:** How should a negotiable certificate of deposit, be reported?
- Eurosystem reply:** This type of instrument should be reported as a floating rate note.
48. **NEW:** Are convertible bonds within the scope of reporting? Are reverse convertible bonds within the scope of reporting?
- Eurosystem reply:** Convertible bonds should only be reported if other conditions are met (original maturity of not more than 397 days, issued by the reporting agent or bought from another credit institution).
49. **NEW:** How should shares quoted per unit be reported?
- Eurosystem reply:** Shares quoted per unit should be reported whenever they match the general reporting criteria. The Transaction Nominal Amount should be reported as "number of units multiplied by price per unit". The Transaction Deal Price should be reported as 100 (unless there is an agreement for *agio* or *disagio*, i.e. a premium or a discount).

50. **NEW:** Could you please confirm that issuances of short-term certificates or notes with equity/equity index underlying are not within the scope of MMSR reporting?
- Eurosystem reply:** We confirm that this type of instrument is outside the scope of MMSR.
51. **NEW:** Could you please confirm that issuance of a certificate/note which pays a fixed rate to the client (financed by a short put position with no guarantee of capital for the client) is in the scope of MMSR reporting?
- Eurosystem reply:** On the basis that the negotiated instrument is a certificate of deposit and provided other reporting criteria are met (e.g. as to maturity and counterparty), we confirm that this type of instruments is within the scope of MMSR.
52. **NEW:** Could you please confirm whether zero-coupon bonds should be reported?
- Eurosystem reply:** Zero-coupon bonds should be reported if they meet reporting criteria. They should be reported as short-term securities.
53. **NEW:** Could you please confirm whether discount certificates and reverse convertibles should be reported?
- Eurosystem reply:** No, these instruments should not be reported.
54. **NEW:** Could you please confirm whether structured products, such as Credit Linked Notes, Share Certificates and CMS Floaters are within the scope of MMSR reporting?
- Eurosystem reply:** In general, structured products such as those mentioned above are not reportable, as their characteristics do not match the definitions of eligible instruments as contained in the MMSR Regulation and Reporting Instructions. However, please note that if the structured product is in fact just a combination of operations and if any one of these operations is MMSR-eligible, it should be reported. For example, in the case of a borrowing via unsecured transactions which is then hedged via an overnight indexed swap (OIS) trade, both these operations should be reported under the MMSR framework.
55. **NEW:** Should interbank loans be reported?
- Eurosystem reply:** Interbank loans should be reported as Deposits – with the relevant features in accordance with the MMSR Reporting Instructions.
56. **NEW:** Should structured deposits be reported? More specifically, when a contract/product is specifically identified as a Structured Deposit – for instance instrumented by a set of derivatives, i.e. IRS+Option, or a deposit linked with a derivative (usually an option). Should the reporting agent provide
- (a) the complete structure (all deals); or
  - (b) only the deposit within the structure (where there is a deposit)

**Eurosystem reply:** Deposits with simple call or put options (or with both) need to be reported. Other, more structured, deposits should not be reported.

57. **NEW:** Should saving accounts (Kapitalsparbücher) of non-financial corporations classified as “wholesale” according to the Basel III LCR framework be reported?

**Eurosystem reply:** Please note that saving accounts (Kapitalsparbücher) should be reported daily, analogously to call accounts (please refer to Q&A entry 25) if they are conducted with MMSR-eligible counterparties. In any case, these transactions should not be reported for natural person clients’ accounts.

58. **NEW:** Should a deposit with a maturity of more than 397 days that is redeemable, with or without a penalty, with a notice of one day, be reported? If yes, should the transaction be reported only once with the final maturity date as MATURITY DATE and the notice period as CALL/PULL NOTICE PERIOD or should it be reported again daily until it is either redeemed or it expires?

**Eurosystem reply:** Please note that if the original maturity of the instrument is more than 397 days after the settlement date, this transaction should not be reported.

59. **NEW:** Should increases or decreases in a deposit’s balance be reported? If yes, how?

**Eurosystem reply:** It depends. Three cases can be distinguished:

- (a) if the increase or decrease takes place at the maturity of the original transaction this is a rollover to be reported as a new transaction;
- (b) if the decrease takes place before the maturity date and is in the nature of an early repayment, this is considered a life-cycle event and should not be reported;
- (c) if the increase takes place before the maturity of the original deposit this is similar to a new deposit and is to be reported as a NEWT transaction in relation to the full new amount.

60. **NEW:** How should a “roller-coaster” amortising deposit (with both notional balance increases and decreases during the life-cycle of the trade), be reported?

**Eurosystem reply:** In the case of “roller-coaster” deposits, both increases and decreases of the balance can occur on a daily basis, therefore these instruments should be reported by providing daily information on the balance of the deposit and the interest rate with an overnight maturity (similarly to call accounts).

61. **NEW:** Should structured and inflation-linked bonds be reported? Please note that the corresponding pay-outs of these instruments can be very complex, given that such products are linked to multiple non-interest indices like stock markets, commodities and inflation (for example the pay out of a CMS-based bond can be “2 x ISDA 10 Year swap rate – 3%”, or “2 x the annual inflation measured as the increase in HCPI”). From our point of view, this bond is neither fixed nor floating interest. There

is no interest component included in the coupon. If such products are reportable please clearly outline how such products should be reported.

**Eurosystem reply:** Please note that such products, and more specifically the ones described above, are not reportable.

62. **NEW:** Should Interest Rate Swaps (IRS) with variable notional (i.e. Variable Notional Swaps) be reported? That is, a swap which has a rollercoaster notional structure, which is agreed upon before closing the product. For example: notional first period = 100; notional second period = 90; notional third period = 80.

**Eurosystem reply:** This swap should be reported when it is a swap with one leg depending on the Euro OverNight Index Average (EONIA) and one fixed leg. The notional to be reported initially is the notional 100. Further changes to the notional are lifecycle events because they are predefined and therefore should not be reported.

63. **NEW:** Should In Arrears Interest Rate Swaps (IRS) be reported?

**Eurosystem reply:** This type of instrument should not be reported.

64. **NEW:** It is unclear whether or not fixed rate notes have to be reported. Could you please clarify?

**Eurosystem reply:** Fixed rate instruments which have a maturity of up to 397 days issued by the reporting agent, as well as fixed rate notes which have a maturity of up to 397 days issued by other credit institutions and underwritten by the reporting agent should be reported.

65. **NEW:** What is meant by “other short-term debt securities”; which products fall under this category?

**Eurosystem reply:** “Other short-term debt securities” are securities with the same characteristics as, for example, commercial paper or certificates of deposit, but not categorised as such.

66. **NEW:** Should evergreen term products be reported? These instruments have a revolving structure with a constant maturity of e.g. 35 days (similar to open trades). As long as there is no notice, the trade is prolonged on a daily basis. Because of the maturity of 35 days, there is a notice period of 35 days.

**Eurosystem reply:** Yes, evergreen term products should be reported. They should be reported each day as long as there is no notice.

67. **NEW:** Should subsidised loans, such as loans provided via other credit institutions to SMEs or private households, be reported?

**Eurosystem reply:** Loans to non-banks do not have to be reported, so the loan between a credit institution and the final beneficiary (e.g. an SME) should not be reported. However, if this trade involves an interbank transaction or a transaction

with MMSR-eligible counterparty, this transaction should be reported, regardless of the final beneficiary.

68. **NEW:** Should time deposits (also called term deposits) be reported if they are sold/settled via commercial branches to clients classified as “wholesale” but with settlement in a current account that these clients have with the reporting agent (and not settled via TARGET2)?

**Eurosystem reply:** Yes, these transactions should be reported. In addition, unsecured borrowing from non-financial corporations (NFCs) classified as “wholesale” should be reported, regardless of the settlement method or channel.

69. **NEW:** Some products have supplementary features in addition to the "Put/Call Date" or "Call/Put Notice Period". The basis of this product is an "open end structure" comparable to call accounts. In contrast to call accounts, however, the Call/Put Notice Period is e.g. 30 days while in addition, the counterparty has an availability period of e.g. 7 days. Should these types of instruments be reported?

**Eurosystem reply:** Such products should be reported. Daily reporting needs to take place analogous to call accounts where the "Call/Put Notice Period" is reported (as 30 days) while the availability period (of 7 days) should not be reported.

70. **NEW:** Should money market deposits that are pawned to the reporting agent as collateral for a different transaction (that is outside the MMSR scope, such as Letters of Credit) be reported?

**Eurosystem reply:** This type of instrument should not be reported.

### 1.2.3 Related to the FX swaps market segment

71. Would it be possible to report FX swaps as two separate legs (the spot leg and the forward leg), by also including a link identifier that would allow to easily recognizing multi-leg transactions?

**Eurosystem reply:** Under Regulation ECB/2014/48, FX Swaps should be reported as one single transaction including both legs.

72. Should we report FX swap transactions conducted with the central bank of Denmark as part of their exchange rate management?

**Eurosystem reply:** If a transaction results from ECB tender operations and standing facilities, it need not be reported; otherwise all transactions with central banks should be reported. If a credit institution which is part of the actual reporting population conducts an FX swap with the central bank of Denmark, it would need to report this transaction.

73. It is not clear how and when to report forward starting trades.

**Eurosystem reply:** Forward starting trades must always be reported on the trade date.

#### 1.2.4 Related to the overnight index swaps market segment

74. Is it correct, that in the OIS market segment only EONIA against a fixed interest rate should be reported? Or is it also possible that another variable interest rate (such as EURIBOR 1 month or USD-LIBOR 1 month) against EONIA is reported? If so, how should it be reported, because the field for the second interest rate ("not Overnight index (EONIA) leg") is called "fixed interest rate" and also in the description only fixed rates are mentioned?

**Eurosystem reply:** Only EONIA against a fixed interest rate should be reported.

75. Should overnight versus tom-next EUR/currency transactions be reported or should they be included as OIS operations?

**Eurosystem reply:** Any purchase/sale of euro vs. a foreign currency on a given value date with an agreement at the same time to resell the purchased currency against the currency sold on the initial value date must be reported as a foreign exchange swap transaction.

76. **NEW:** Should cleared OIS transactions, including in the case of client clearing, be reported?

**Eurosystem reply:** Cleared transactions, including client clearing, must be included in the reporting, since the clearing broker or member acts as a principal and for that reason the transactions (reporting agent-CCP and reporting agent-client) are on the balance sheet of the reporting agent.

#### 1.3 Revisions, re-negotiations and specific transaction conditions

77. Could you please define the reporting criteria for events on deals already reported, for example decreases, amortizations, errors, etc.

**Eurosystem reply:** Unless otherwise stated, subsequent or life-cycle events are not to be reported. Transaction rollovers are reported as separate, new transactions identified in the appropriate way (i.e. as NEWT). Floating rate instruments and transactions are reported only when initially concluded with the indication of the discount margin, reference rate and the spread. Amendment of existing transactions should be reported on the business day following the amendment using the same transaction identifier as the original, initially reported transaction.

78. Could you please elaborate with respect to the amendments, cancellation and renegotiations of the deals such as renewal, rollovers, and changes in some already



reported detail of the contract (e.g. transactions with maturity less than one year which are then renegotiated with maturity more than a year; early repayments; etc.)?

**Eurosystem reply:**

- (a) Rollover: needs to be reported as new transactions;
- (b) Changes understood as amendments/corrections: The variable named 'Reported Transaction Status' distinguishes between new transactions and 'amendments', 'corrections' or 'cancellations' of a previous transaction:
  - 'amendments' are changes to previously transmitted records due to erroneous values in the transaction record variables identified by the reporting agent, without any Eurosystem notification;
  - 'corrections' are errors in the format and/or errors in the values of the transaction record variables, which the Eurosystem has indicated that the reporting agent should correct;
  - 'cancellations' are transmitted records that need to be deleted. A cancellation, for instance, could be necessary because a transaction was transmitted repeatedly.
- (c) Renegotiations: such as a re-price or a re-rate of a transaction must be reported as new transactions with the new terms agreed on the day in which the renegotiation takes place. The initially reported transaction must not be cancelled or amended.
- (d) There is no requirement to report life-cycle events such as margin calls, collateral substitutions, exercising of options or resetting of the interest rate on variable rate instruments.
- (e) If a reporting agent identifies a need to amend a trade after having received a correction request from the ECB or the national central bank (NCB), the corrected and amended transaction should be reported with status 'Correction' (and not as 'Amendment'). However, it is also expected that internal diligences on matching and confirmation of trades are generally performed before trades are reported to the MMSR reporting tool (between 6 p.m. on the trading date and 7 a.m. the day after) and therefore such occurrences should be limited.

If several corrections and amendments have to be made before resubmission of a transaction, only the final record of the respective transaction can be transmitted in the reported file because the Data Quality Checks reject files which contain several transactions with the same PTI. Renegotiations are reported separately as new trades.

Furthermore, in the following cases (in which several changes occur for one transaction within the same day) the reporting agent should send the transaction with the next transmission of data with the status indicated below.

1. AMND and CANC? The transaction should be resent with status CANC.
2. AMND and CORR? The transaction should be resent with status CORR.
3. CORR and CANC? The transaction should be resent with status CANC.

Furthermore, regarding the threshold of erroneous transactions, the following cases need to be considered.

The number of erroneous transactions in a reported file is below the threshold (i.e. the reported file contains less than X% rejected transactions): the reporting agent receives a request for correction of the erroneous transactions in the status message and the rejected transactions should be resent with CORR status. Where the reporting agent amends the transaction before the resubmission, it should report this transaction with status CORR.

The number of erroneous transactions in a reported file is above the threshold (i.e. the reported file contains more than X% rejected transactions): the entire file is rejected. The reporting agent should send a corrected file where the transactions have the initial status (e.g. if a transaction had status NEWT in the initially submitted file, then this transaction should also have status NEWT in the resubmitted file, if the status was CORR in the initial file it should be resubmitted as CORR, etc.). Where the reporting agent amends a new transaction before the resubmission, it also needs to report this transaction with status NEWT.

79. How should lifecycle events be reported?

**Eurosystem reply:** Life-cycle events such as margin calls, collateral substitutions, exercising of options or resetting of the interest rate on variable rate instruments should not be reported.

80. **NEW:** Some transactions foresee an option of early repayment that implies the change of the rate – i.e. a percentage of the rate is transformed in a fee or anyway the rate is somehow reduced in case of early repayment. Is this considered as lifecycle event, and consequently outside of the MMSR scope?

**Eurosystem reply:** Indeed, this is classified as a life-cycle event, and therefore should not be reported.

81. How should novations be reported? If a reporting agent is stepping away, is it required to submit a cancellation and for the new reporting agent to submit the new trade as a new transaction? If a reporting agent is the remaining party, would it be required to submit an amendment to an existing transaction? What happens in case the novation implies that a trade is no longer eligible for reporting? Is only a cancellation required?

**Eurosystem reply:** If a reporting agent is the remaining party, it should report a new transaction, and the initial transaction does not need to be cancelled. If it is stepping away, there is no need to report cancellation. Similarly, where the novation implies

that a trade is no longer eligible, this event does not need to be reported and there is no need to send a cancellation.

82. **NEW:** Should partial cancellations/terminations be reported?

**Eurosystem reply:** Partial cancellations or terminations must be reported as an amendment or correction, if they are made because of a reporting mistake. If a partial cancellation or termination corresponds to a renegotiation, the transaction should be reported as new – including new features of the deal and a new Proprietary Transaction Identifier (PTI)/Unique Transaction Identifier (UTI).

83. **NEW:** Should total cancellations/full terminations be reported?

**Eurosystem reply:** An early termination of a trade should not be reported; nor should it be reported when the trade matures. However, if a cancellation is made because the trade does not exist (i.e. the transaction was reported by mistake and was never intended to take place), this should be reported as a cancellation.

84. **NEW:** Regarding early terminations before the maturity date, could you please clarify what should be reported in case of a partial or full termination after the settlement date - a renegotiation of the initial contract, a new trade, or a life-cycle event (i.e. no reporting)?

**Eurosystem reply:** There is nothing to be reported in this case. When partial or full termination can be foreseen by the contract and takes place before the maturity date, this is considered as a life-cycle event and does not need to be reported.

85. **NEW:** Could you please clarify what should be reported in case of renegotiations between the trade date and the settlement date?

**Eurosystem reply:** Renegotiation at any time after the initial agreement should be reported as a new transaction.

86. **NEW:** Could you please clarify what should be reported in case of increase events?

**Eurosystem reply:** Increase events should be reported as amendments or corrections if they correspond to a mistake in the reported data. If the increase is due to a renegotiation, the transaction should be reported as NEWT – including the new amount and a new Proprietary Transaction Identifier (PTI)/Unique Transaction Identifier (UTI).

87. Please provide further information regarding the definition of a re-opening.

**Eurosystem reply:** Re-openings are currently outside the scope of the MMSR framework. We might however re-assess this position once we have gained experience with the reporting.

88. Convertible bonds: Since convertible bonds are within the scope of the MMSR it seems necessary to provide an example of how to report convertible bonds within our reporting schema.

**Eurosystem reply:** An example for the reporting of a convertible bond is provided below.

Unsecured marked example: Convertible bond

Text description: Reporting agent: BNP Paribas, Paris. BNP London branch borrows EUR 10 million from Société Générale via a convertible bond. Trade date: 6 November 2014. Settlement date: 7 November 2014. Maturity date: 7 November 2015. First call/put data: 7 February 2015. Deposit rate: +0.05 %.

Such a transaction would need to be reported by BNP Paribas (Paris) as follows:

Variables	Variable name	Example
U10	REPORTED TRANSACTION STATUS	NEWT
U20	UNIQUE TRANSACTION IDENTIFIER	
U30	PROPRIETARY TRANSACTION IDENTIFICATION	3
U40	COUNTERPARTY PROPRIETARY TRANSACTION IDENTIFICATION	
U50	COUNTERPARTY IDENTIFICATION	O2RNE8IBXP4R0TD8PU41
U60	COUNTERPARTY SECTOR	
U70	COUNTERPARTY LOCATION	
U80	TRADE DATE	2014-11-06T21:00:00+00:00
U90	SETTLEMENT DATE	2014-11-07
U100	MATURITY DATE	2015-11-07
U110	INSTRUMENT TYPE	OTHR
U120	TRANSACTION TYPE	BORR
U130	TRANSACTION NOMINAL AMOUNT	10000000 EUR
U140	TRANSACTION DEAL PRICE	99.95002
U150	RATE TYPE	FIXE
U160	DEAL RATE	0.05
U170	REFERENCE RATE INDEX	
U180	BASIS POINT SPREAD	
U190	CALL OR PUT	CALL
U200	FIRST CALL/PUT DATE	2015-02-07

89. **NEW:** Could you please clarify what should be reported in the case of a rejected file?

**Eurosystem reply:** If a file is rejected, the reporting agent should resubmit all of the transactions in a new file. The resubmitted status of the transactions should be the same as the initial status of the rejected file (if the status of the initial transaction in the rejected file is NEWT, you should report the transaction with NEWT in the new file; if the status of the initial transaction in the rejected file is AMND, you should report the transaction with AMND in the new file, etc.).

90. **NEW:** Can you confirm that when providing a UTI on a trade, we can submit multiple “new-trade-events” with the same UTI? This will be the case for example when we submit renegotiations for a FX Swap (= new trade with the same UTI as the original trade)?

**Eurosystem reply:** No, this is not correct. Please note that in the event of a renegotiation, a new Unique Transaction Identifier (UTI) should be provided (if

available, since the field is currently not mandatory). However, in the case of amendments or corrections the UTI should not be changed.

91. **NEW:** An existing transaction in the systems of the reporting agent has become eligible – e.g. due to a change of the counterparty sector classification caused by an initial classification mistake: from S11 (small enterprise) to S122. What should be reported in this case?

**Eurosystem reply:** The reporting agent should ignore the previous (suppressed/non-reported) transactions and report the latest version of the deal as a new transaction, including the original trade date and the new counterparty information.

92. **NEW:** An existing transaction in the systems of the reporting agent has become ineligible – e.g. due to a change of the counterparty sector classification caused by an initial classification mistake: from S12 to S11 (small enterprise). What should be reported in this case?

**Eurosystem reply:** The reporting agent should report a cancellation.

93. **NEW:** A transaction has been reported wrongly and is included in the Status Message file; consequently the Eurosystem expects to receive a corrected version of the trade. What should be done if the transaction has been cancelled? Report CANC?

**Eurosystem reply:** The reporting agent should report a cancellation of the trade.

94. **NEW:** A renegotiation of the nominal amount: could you please clarify what should be reported in case of the following example?

- 14 November: Initially agreed nominal amount of EUR 5 million
- 25 November: An increase of EUR 3 million on the same transaction.

**Eurosystem reply:** The example provided describes a renegotiation, since “renegotiations are all instances in which after the initial agreement, the parties of a financial transaction agree to modify the initially agreed financial terms applicable to the original transaction” (page 8 of the MMSR Reporting Instructions). Therefore, the new amount of EUR 8 million should be reported on 25 November as a new trade.

95. **NEW:** In a novation almost all trade details remain the same. The initially agreed financial terms applicable to the original transaction are not modified. This includes the fixed rate. The fixed rate for the new swap can therefore be off-market. Is such an off-market rate a problem in the reports?

**Eurosystem reply:** The rate should represent the conditions of the financial contract as such. In that respect, the rate should be reported regardless of the fact that it could be seen as off-market. However, as there will be multiple checks on the transaction business level, this could lead to questions/enquiries from the

Eurosystem to the reporting agent in the event that the reported data is seen as off-market.

96. **NEW:** Normally in a novation the present value (market value) of the swap is settled between the two original counterparties. Is this something that needs to be considered in the MMSR submission? If so, how?

**Eurosystem reply:** The present value of the contract should not be reported under the MMSR framework.

## 1.4 Other

97. Are there any releases planned that will change the scope of reporting?

**Eurosystem reply:** There are currently no planned future releases which would change the scope of the reporting. Please note, however, that statistical regulations are periodically reviewed to ensure that they reflect monetary policy needs and that reporting obligations which have become redundant are eliminated.

98. Should deals with a maturity date of one year or greater than the reporting or trade date be reported?

**Eurosystem reply:** All unsecured, secured and foreign exchange swap transactions with a maturity of up to 397 days after the settlement date and all overnight index swap (OIS) transactions at any maturity shall be reported as set down in Regulation ECB/2014/48 and its annexes defining the reporting schemes.

99. Would a reporting agent need to report eligible transactions where the counterparty is an NCB/ECB?

**Eurosystem reply:** If a transaction results from ECB tender operations or from standing facilities, it should not be reported; otherwise all transactions with central banks should be reported as long as they fulfil the MMSR reporting criteria.

100. Should a reporting agent make a report if he knows that a deal could or is going to fail in settlement?

**Eurosystem reply:** A reporting agent should report the deal, regardless of the fact it might not be settled. In the case of deals which are cancelled (for example, due to a settlement failure or due to an error because of a duplicated reporting) the respective transaction must be reported as cancelled.

101. Should transactions with the Ministry of Finance\Economic Affairs be reported even though the NCB might already have all the details of those operations?

**Eurosystem reply:** They should be reported. The reporting agents should report these operations as transactions conducted with general government.

102. Could you please provide clarification whether the MMSR reporting includes transactions in all currencies or only transactions in EUR. This would be especially relevant for FX swaps: should they be reported only if the base currency is EUR?
- Eurosystem reply:** The reporting should include only EUR-denominated transactions. Foreign exchange swap transactions should be reported only if one of the currencies in the pair is the euro, regardless of whether it is the base currency or not.
103. Could you please provide further clarifications regarding the operations conducted in “New MIC” (market for collateralised interbank deposit)?
- Eurosystem reply:** They should be reported as secured/collateralised transactions.
104. How should cash settled GMRA Collateral Margin exchanges be reported?
- Eurosystem reply:** Margin call including cash margins do not need to be reported.
105. Could you please provide further clarification on intra-group transactions?
- Eurosystem reply:** Intra-group transactions are excluded. This is stated in the first recital of Regulation ECB/2014/48, “The European System of Central Banks (ESCB) requires, for the fulfilment of its tasks, the production of statistics on money market transactions ... but excluding intra-group transactions”, and is further emphasised in Article 1(9) and in the Annexes defining the reporting schemes. In addition, Article 1(19) provides a clear definition of intra-group transactions, namely transactions between two different legal entities that are part of the same group, based on the International Financial Reporting Standards (IFRS) or supervisory consolidation, as specified in the Regulation.
106. Is it envisaged the reporting to take place via a single reporting channel for the cross border banking groups instead of reporting by a legal entity within the same group. This would avoid the need for a development of several (country level) projects for the transmission of the MMSR data.
- Eurosystem reply:** Provision has been made for such an option. Where the delegation of reporting is agreed, one reporting agent could provide the data for all subsidiaries resident within the euro area, e.g. with different legal entity identifier (LEI) codes within the same (truncated) banking group, but in separate files.
107. Do both parties of a transaction need to report the same transaction if both parties are required to report under Regulation ECB/2014/48 (dual reporting)?
- Eurosystem reply:** Yes, under Regulation ECB/2014/48 both parties have to report where they are part of the actual reporting population.
108. Interpretation of maturity: is the “maturity” in the Regulation and Reporting Instructions interpreted as “original maturity” or as “remaining maturity”?
- Eurosystem reply:** The maturity which is to be reported is the **original maturity**.

109. Could you please confirm that there will not be a need to report new transactions prior to the reporting start date and that there will not be a requirement to backload live transactions?

**Eurosystem reply:** The Eurosystem can confirm that the reporting agents will not need to report transactions prior to the reporting start date and there is no need to backload live transactions.

110. Could you please confirm that a reporting agent will need to produce one reporting, including all transactions of EU and EFTA branches? Subsequently subsidiaries of a reporting agent might be obliged to set up their own reporting to either their NCB or the ECB directly.

**Eurosystem reply:** The Eurosystem confirms that subsidiaries of a reporting agent, i.e. with different legal entity identifiers (LEI), will need to report individually unless delegation of reporting is agreed. In that case, one reporting agent could provide the data for all of the subsidiaries but in separate files, for each legal entity.

111. How will the Eurosystem treat transactions that are not reportable (over-reporting)?

**Eurosystem reply:** After the initial testing of reporting, the Eurosystem expects all reporting agents to report all (and only) in-scope transactions. The data quality checks which will be carried out on the transmitted files will reject any transaction which falls outside the scope of the reporting framework. For systematic over-reporting, the Eurosystem may contact reporting agents and would urge them to find a solution.

112. Could you please clarify on the transitory regime on the reporting of trades with NFCs: it says that transactions with a "nominal amount below EUR 1 million" are not to be reported? Does this mean that the following transactions are not to be reported?

- Day T, counterparty A, transaction 1: EUR 800 000
- Day T, counterparty A, transaction 2: EUR 600 000
- => on day T the overall transaction volume with counterparty A is above EUR 1 million, but each transaction is below that value => no reporting of any of these transactions?

**Eurosystem reply:** Correct, no reporting of these transactions is necessary as the criterion is based on individual transaction size and not the cumulative size of transactions on a given day.

113. For trades done on a platform facing the CCP, the reporting agent could not report the underlying client as the underlying client/counterparty is not known.

**Eurosystem reply:** For repurchase transactions conducted with a central clearing counterparty (CCP), the CCP needs to be reported as the counterparty.



114. Derivatives Client Clearing: some reporting agents clear OIS transaction to central counterparties (CCPs) bilateral and on behalf of clients. When this is done on behalf of clients to CCPs (as principal), does this require reporting both legs of the transaction (client to us and us to CCP)?

**Eurosystem reply:** All transactions booked on the balance sheet of the reporting agent need to be reported; with regard to the above example – if both legs are booked on the reporting agent's balance sheet – both transactions need to be reported.

115. The CCPs reports transactions for EMIR/DFA on behalf the counterparties. Is it possible also for MMSR?

**Eurosystem reply:** No, this isn't possible for MMSR. Transactions must be reported by the reporting agent.

116. The collateral haircut of the repurchase agreements is of significant commercial sensitivity and, as such, is a good example of why the reporting agents could be significantly concerned about the degree of confidentiality which needs to accompany repo data reporting. Given the multiplicity of agencies with interest in this data, it is vital that there is strong control over confidentiality and that access is restricted to relevant data. Which agencies are permitted access to what data also needs to be made transparent to contributors.

**Eurosystem reply:** The Eurosystem is fully aware of the highly confidential nature of all data that will be transmitted. All data will be handled according to the high confidentiality standards prevailing in the Eurosystem procedures. In this respect, the data will be accessible only to the European System of Central Banks (ESCB) users, and not to any third parties.

117. We would like to know whether the ECB is going to make the data public at aggregate or country level.

**Eurosystem reply:** The Eurosystem intends to publish data based on MMSR on an aggregated level and with a lower frequency.

118. How would reporting agents be expected to proceed with reporting trades with counterparties whose identity cannot be disclosed for privacy/confidentiality reasons (such as those in Asia, Luxembourg and Switzerland, for which the credit institutions encountered a number of problems with respect to the EMIR reporting)?

**Eurosystem reply:** The reporting agents should provide a counterparty identification in the case of credit institutions, supranational authorities or where the transaction is conducted via a central clearing counterparty (CCP). In all other cases, credit institutions should only transmit the counterparty type, e.g. non-financial corporations, and counterparty location, e.g. Germany. This type of information should not disclose any confidential information.

119. Is there a difference in reporting a transaction with a) exchange of the total amount of money on the settlement day or b) only part of the money is exchanged on the settlement day?
- Eurosystem reply:** There is no difference as the settlement details are not within the scope of MMSR.
120. Which party should be identified as counterparty? Should the paying agent be reported since settlements will be handled by/through this party?
- Eurosystem reply:** The counterparty is the party with whom the transaction has been concluded – i.e. the institution which has taken up a legal obligation to lend the cash borrowed by the reporting agent, in the case of borrowing transactions, or has agreed to borrow from the reporting agent in the case of lending/purchase of securities.
121. **NEW:** Concerning Art. 1 No. 19 of the Regulation: Is it correct that reporting agents may choose whether they refer to the consolidation under commercial law (IFRS) or under banking supervision?
- Eurosystem reply:** No. Reporting agents should refer to the relevant legislation to determine whether they are classified as part of the “same consolidation”. If they are considered as part of the “same consolidation”, the transactions between the respective entities should not be reported under the MMSR framework.
122. **NEW:** Should transactions conducted before 1 April 2016, be reported? Should amendments performed after 1 April 2016 on trades conducted before the 1 April 2016, be reported?
- Eurosystem reply:** Only transactions booked as of April 2016 should be reported. No transactions concluded prior to this date should be reported.
- Amendments to transactions concluded prior to 1 April 2016 should NOT be reported.
123. **NEW:** In case a reporting agent becomes a “non-reporting agent” due to a merger, is there a need to report outstanding contracts?
- Eurosystem reply:** No, there is no need to report outstanding transactions.
124. **NEW:** Could you please specify whether transactions with sole proprietors (self-employed persons) should be reported under MMSR??
- Eurosystem reply:** Transactions made with sole proprietors should not be reported.
125. **NEW:** In Section 4.3 (page 10) of the Reporting Instructions, the following explanation is provided regarding the scope of the transactions which need to be reported for the MMSR: “[...] The qualifying principle is the location where the transactions are booked (at the reporting agent level, in all its branches located in

*the Union and in the EFTA) and not where the transactions are originated or executed [...]*.

Could you please clarify what exactly is meant by “booked”?

**Eurosystem reply:** The term ‘booked’ should be interpreted from dealing perspective, i.e. booked in trading systems (for reporting). The term ‘booked’ in this section of the MMSR Reporting Instructions therefore does not refer to balance sheet recording of the reporting agent.

## 2 Questions regarding the reporting requirements and field definitions

### 2.1 General

126. Would it be possible to have a clear indication of the fields that are mandatory, the fields that are mandatory but for which NA value (not applicable) is allowed, and which fields are optional / conditional and which can be left blank.

**Eurosystem reply:** This information is set out in the Reporting Instructions, the XML messages documentation (XML Schemas) and in the MMSR Data Quality Checks.

127. Timestamp: What does the timestamp for the field “Trade Date” correspond to?

**Eurosystem reply:** The timestamp should correspond to the execution time. Otherwise, it can be the booking time (the time at which the trade was recorded). The timestamp is reported as part of the trade date which allows for reporting in date-time format. Alternatively, if the execution time is not available, only the date can be specified in the reporting message.

### 2.2 Questions regarding specific field definitions in the BAH/Reporting Header

128. Creation Date: should it be reported in a UTC/GMT time zone or, as opposite to this – with information about a concrete time zone?

**Eurosystem reply:** The Creation Date should be reported as specified in the ISO 20022 documentation of the MMSR XML-schemas – i.e. it should be aligned with the “ISONormalisedDateTime” and be reported in UTC/GMT time zone (e.g. “2016-07-05T05:30:00Z”).

129. Reference period: Is this always day T? Or should it be [T-*n* days; T] in case there are amendments or transactions that are flagged with “NEWT”?

**Eurosystem reply:** The reference period must be reported as a period and not only a specific point in time. The reference period indicates to which period the

transactions in the transmitted file refer – meaning the time from the last submission until the subsequent submission, as start and end of the reporting period. This is irrespective of whether the transactions are new or they are amendments, because this is the period when the deals have been conducted, amended, corrected or cancelled. Under the daily reporting for the MMSR, the time could be the same in both subfields, while the date should have a difference of one business day. For instance:

BEGIN: 2015-05-12T18:00:00+01:00 and

END: 2015-05-13T18:00:00+01:00.

**NEW:** Moreover, in the event that there are new trades or an amendment from a previous day, the reference period should also cover this previous day. For example, if the file reported in the evening of 14 December 2015 also included amended transactions from 9 December 2015, the reference period should be reported as follows:

BEGIN: 2015-12-08T18:00:00+01:00 and

END: 2015-12-14T18:00:00+01:00.

## 2.3 Questions regarding specific field definitions for *multiple* segments

130. **NEW:** Proprietary Transaction Identifier (PTI): Is it correct that the PTI must always be reported?

**Eurosystem reply:** This is correct. Regardless of whether or not a UTI (Unique Transaction Identifier) is reported, PTI is a mandatory field.

131. Unique Transaction Identifier (UTI): The use of a Unique Transaction Identifier could avoid double counting for derivatives. As for other market segments UTI seems an unavailable option to date and also in the future.

A possible introduction of an agreement by which a party (say the lender) provides an Identifier accepted by the counterparty (say the borrower) would entail high implementation costs. Could a different way for matching transactions in order to avoid double counting be evaluated?

**Eurosystem reply:** The Eurosystem is aware of the issues regarding the Unique Transaction Identifier (UTI). The UTI field will be initially optional with the aim to make it mandatory at a later stage. The Eurosystem understands that IOSCO is working on the definition of a global UTI. For MMSR, the reporting of the UTI will become mandatory once it is operational and broadly used by the market.

The reporting agents have to provide a Proprietary Transaction Identification and are encouraged to provide the Counterparty Proprietary Transaction Identification (as

explained in the MMSR Reporting Instructions) as this information will facilitate the matching of the transactions.

132. Unique Transaction Identifier: could you please clarify on how a reporting agent should report in case it have not been able to exchange UTI; the only option in such a case would be to report using its own transaction identifier.

**Eurosystem reply:** The UTI is left as an optional field to be reported only when available. The Proprietary Transaction Identification is a mandatory field for MMSR which needs to be reported in all cases, i.e. even if the UTI is available and reported.

133. Unique Transaction Identifier: UTI registry - counterparties exchange is not executed on trade date, so trouble will appear when including such field in next day, unless a provisional UTI record is set.

**Eurosystem reply:** The reporting of UTI is optional at this stage. It should be reported only if available and technically feasible.

134. **NEW:** Unique Transaction Identifier: The UTI has two main parts, the UTI Prefix and the UTI Value. What should be reported in this field: the UTI Value only or the combination of UTI Prefix & UTI Value?

**Eurosystem reply:** The reporting agent should provide the UTI Value.

135. Counterparty identification: due to different issues related to the banking secrecy a reporting agent could be obliged to mask the identity of some of its counterparties.

**Eurosystem reply:** Where the counterparty is a non-financial corporation there is no need to provide a counterparty identifier. However, this field is mandatory where the counterparty is a credit institution, a supranational authority and where the transaction is conducted via a central clearing counterparty (CCP). In the latter case, the Legal Entity Identifier (LEI) of the CCP must be provided. We do not believe banking secrecy applies to this type of counterparty.

136. Counterparty identification: experience with EMIR shows a number of counterparties still does not have a LEI code. In this respect, would it be possible to report with internal identifier – awaiting the attribution of a correct LEI code?

**Eurosystem reply:** A reporting agent needs to report the Legal Entity Identifier (LEI) where the counterparty is a credit institution, a supranational authority and where the transaction is conducted via a central clearing counterparty (CCP). In the latter case, the LEI of the CCP must be provided. The LEI should not be reported for transactions with non-financial corporations (NFCs). In that respect, it is not allowed to report an alternative to the LEI. Due to the application of data quality checks such transactions will be rejected. The reporting agent should ensure that it is in possession of the correct counterparty LEI when reporting a transaction.

137. Counterparty identification: a reporting agent could conduct transactions facing third-country entities (counterparties that are not located in EFTA) where it could have problems trying to categorize them.

**Eurosystem reply:** Regardless of the location of the counterparty, the Legal Entity Identifier (LEI) must be provided in the case of a trade with another credit institution, supranational authorities and where the transaction is conducted via a central clearing counterparty (CCP). In the latter case, the LEI of the CCP must be provided. The counterparty sector and locations should be provided for other counterparties.

138. Counterparty identification: If the reporting agent knows the counterparty identifier for counterparties that are not credit institutions, would it be better to provide it instead of counterparty location and counterparty sector.

**Eurosystem reply:** The counterparty identifier should be reported only in the case of credit institutions, supranational authorities and where the transaction is conducted via a central clearing counterparty (CCP). In all other cases, only counterparty sector and location need to be reported – the counterparty identifier field should be omitted. This facilitates processing on the Eurosystem side and protects client confidentiality on the reporting agents' side.

139. **NEW:** Counterparty identification: For the purposes of internal mapping and correct identification of counterparties in the reporting agents' systems, could you please specify which ESA 2010 codes are applicable to credit institutions and supranational authorities?

**Eurosystem reply:** The applicable sector code for credit institutions is S122 (Deposit-taking corporations except the central bank).

There is no single unique code in the ESA 2010 framework which could be assigned to supranational authorities.

140. **NEW:** Counterparty identification: If we are not able to include an LEI because a financial counterparty to a transaction has not applied for one, how should we complete the details of the transaction?

**Eurosystem reply:** If the LEI is not available then the counterparty sector and location are mandatory. However, this should be only applicable in strictly exceptional cases and in all these cases the reporting agents will be requested to clarify this information.

141. Counterparty sector: will there be any mapping between reporting codes and the ones defined by each NCB?

**Eurosystem reply:** A provision for a mapping of the reporting codes is not envisaged. The Eurosystem will be using ISO 20022 standards and the European System of Accounts (ESA) 2010 (Regulation (EU) No 549/2013) which fully conform to the international statistical standards (2008 SNA). This approach is meant to facilitate international comparisons and foster a richer analysis of the results, also in

the light of other statistics like those on credit institutions' balance sheets and interest rates. The conversion between reporting codes should be applied by the reporting agent.

142. **NEW:** Counterparty location: which location should be reported?

**Eurosystem reply:** This information should be populated as country of incorporation.

143. Trade Date/Settlement Date/Maturity Date: should the reporting agent specify the time zone in case the Trade Date is provided as *Date* and not as *DateTime*; if yes, how this should be performed?

**Eurosystem reply:** The reported Date should correspond to the date in the CET time zone. The same applies to all variables which are reported using the Date format. Example: 2014-11-26 stands for 26 November 2014 CET.

144. Maturity date: could you please specify how a reporting agent should report the maturity date for an open repo – should it be the 1st call date; if yes, what if the 1st call date is 48 hours?

**Eurosystem reply:** For open repos, the maturity date for the reporting agents should be the first date at which the operation can be terminated/closed (call date). If the first call date is two days after the value date then the reporting agent should report the maturity date accordingly.

145. Maturity date: should a reporting agent indicate the residual period of a deal?

**Eurosystem reply:** No, the residual period should not be reported, only the original maturity.

146. **NEW:** Maturity date: Should we consider TARGET2 closing days when reporting the maturity date for open-ended trades? In case the appointed maturity date falls on a weekend should the maturity date be reported "rolled" (the next Target2 business date) or "unrolled"?

For instance: a trade rolls on 30 April (1 May being a TARGET2 closing day). What would be the maturity date for this trade? 1 May or 2 May?

Another example:

(a) unrolled on 2016/08/06 (Saturday)

(b) rolled on 2016/08/08 (Monday)

**Eurosystem reply:** Please note that the maturity date should be reported as the rolled date. Therefore the maturity date should be reported as 2 May. In the other example, the maturity date should be reported as 8 August.

147. Transaction nominal amount: should the notional or principal nominal amount be reported?
- Eurosystem reply:** It varies depending on the segment and instrument. The MMSR Reporting Instructions provide clear definitions.
148. Transaction nominal amount: how shall the transactional nominal amount be reported in cases where there is a redemption scheme?
- Eurosystem reply:** Regardless of whether the transaction is with a redemption scheme, reporting agents should report the initial transaction nominal amount. Please note that life-cycle events should not be reported.
149. Transaction nominal amount: Should the nominal amount be the cash paid/received at the beginning of a transaction? Should a premium or discount (agio or disagio) be included?
- Eurosystem reply:** In the case of debt securities, it is the nominal amount of the security issued/purchased. The premium/discount which results from the product of such nominal amount times the transaction deal price needs to be reported separately.
150. **NEW:** Transaction nominal amount: Does the Transaction Nominal Amount field in case of equity loans refer to cash (number of equities times the price)?
- Eurosystem reply:** Yes, this is correct.
151. Deal rate: it can be a rate (as a percentage or basis points), but it can also be a fee (as an amount); in some cases of securities lending a reporting agent could even negotiate the fee at the portfolio level (payable at variable terms). Could you please specify what should be stated within the reporting?
- Eurosystem reply:** According to the MMSR Reporting Instructions, a fee amount is converted into a percentage per annum on the transactional nominal amount.
152. Deal rate: how shall open repos and operations with several fixing periods be reported? Shall each fixing be reported separately?
- Eurosystem reply:** Each open basis repo rollover should be reported as a separate transaction with its own deal rate. Floating rate instruments need to be reported when initially concluded with the indication of the reference rate and the spread. There is no need to report each fixing.
153. Deal Rate: is the dot ('.') included in the total length?
- Eurosystem reply:** The dot [.] is **not included** in the total length.
154. Deal Rate: How should the sign in the XML files be reported?



**Eurosystem reply:** When reporting the field 'Deal Rate' the appropriate sign should be provided within the designated tag.

For instance, negative rates should be reported as follows:

-0.339 =>

```
<DealRate>  
    <Sgn>false</Sgn>  
    <Rate>0.339</Rate>  
</DealRate>
```

... while positive rates should be reported as follows:

0.339 =>

```
<DealRate>  
    <Sgn>true</Sgn>  
    <Rate>0.339</Rate>  
</DealRate>
```

Do not put the sign in the rate tag, e.g. do NOT report the Deal Rate as follows:

```
<DealRate>  
    <Sgn>false</Sgn>  
    <Rate>-0.339</Rate>  
</DealRate>
```

or

```
<DealRate>  
    <Sgn>true</Sgn>  
    <Rate>+0.339</Rate>  
</DealRate>
```

Zero-Rate should be reported as follows – without sign tag:

0.00% =>

<DealRate>

<Rate>0.000</Rate>

</DealRate>

155. **NEW:** Deal Rate: which type of interest needs to be reported for those contracts which are between 365 and 397 days? For this particular case should it be simple interest rate or compounded?

**Eurosystem reply:** In case of deposits, repos, etc. it should be the contractually agreed interest rate (simple). In case of debt instruments it should be the yield to maturity, or the discount margin for floating rate notes (FRNs).

156. **NEW:** Deal Rate: As there are different methods for calculating the adjusted interest rate using different approaches, can reporting agents use a conversion of the interest rate other than ACT/360 (e.g. ICMA conversion of act/act)?

**Eurosystem reply:** For the time being, if need be, the reporting agents are permitted to choose their preferred formula for converting interest rates using a convention other than ACT/360.

157. Reference rate index: the underlying ISIN codes for some of the indices are not available. Is it possible the Eurosystem to provide a list with values which would allow the banks to implement a mapping to it?

**Eurosystem reply:** Yes, the Eurosystem can provide a list of the most commonly used reference rate indices. This is set out below.

Currency	Benchmark	ISIN
EUR	Over Night EONIA	EU0009659945
EUR	1 week EURIBOR	EU0009678507
EUR	2 weeks EURIBOR	EU0005301658
EUR	1 month EURIBOR	EU0009659937
EUR	2 month EURIBOR	EU0009652841
EUR	3 month EURIBOR	EU0009652783
EUR	6 month EURIBOR	EU0009652791
EUR	9 month EURIBOR	EU0009652890
EUR	12 month EURIBOR	EU0009652809
EUR	1 week LIBOR	GB00BBD82B22
EUR	1 month LIBOR	GB0004356027
EUR	2 month LIBOR	GB00BBD82C39
EUR	3 month LIBOR	GB0004356795
EUR	6 month LIBOR	GB0004357090
EUR	12 month LIBOR	GB0004359369

158. **NEW:** Reference Rate Index: What should be reported in case that there is more than one reference rate index applicable for a transaction?

**Eurosystem reply:** Under ISO 20022 only one reference rate index can be reported. Therefore the reference rate index with the biggest influence should be reported.

159. **NEW:** Basis Point Spread/FX Forward Point: Those fields should be completed as a positive or negative number according to the rules set up by the Reporting Instructions and the documentation of the MMSR XML-schemas (ISONumber and ISODecimalNumber); consequently these variables should include a sign. However, there is no a separate tag for a sign (like for the Deal Rate). Could you please specify how this should be reported?

**Eurosystem reply:** The sign should be reported by including a prefix (with the +/- sign) to the numerical digits.

160. Basis Point Spread/FX Forward Point: according to the rules set up by the Reporting Instructions and the documentation of the XML-schemas this number (ISONumber and ISODecimalNumber) should be signed; however, is the sign ('+' or '-') included in the total length? Moreover, is the dot ('.') included in the total length?

**Eurosystem reply:** The sign and the dot [.] are **not included** in the total length.

## 2.4 Questions regarding specific field definitions for the *secured* segment

161. Counterparty sector and Collateral issuer sector: as there might not be possible to have the ESA 2010 classification implemented into the systems of the reporting agents, is it possible for the ECB to provide a mapping – between ESA classification and other standards, such as NACE – which to be used for facilitating the reporting?

**Eurosystem reply:** Unfortunately, it is not possible to establish a one-to-one mapping between the NACE classification of economic activities and the ESA institutional sector classification. In particular, the decision on the sector classification for statistical purposes depends on factors (such as legal control, ownership, losses covering, etc.) which are not necessarily related to the kind of activity performed by the unit.

162. Collateral ISIN and collateral type: Tri-party repo – it is not clear how ISIN and collateral type fields will work for tri-party repo trades where collateral could be made up of several ISINs and/or products.

**Eurosystem reply:** Individual ISINs should be reported in the case of a repurchase transaction with one or more (in the case of multi-collateral repos) pieces of collateral (e.g. if a transaction is backed by five different pieces of collateral, five ISINs are to be provided).

As regards tri-party repos, an ISIN must be reported in the case of pooling repos in which the basket is identified via an ISIN (Eurex/GC Pooling and LCH/GC+ for

example). In these cases, neither collateral type nor details of the collateral finally allocated by the CCP needs to be reported.

When the collateral cannot be identified via one or more ISINs, the collateral type should be reported. This may be the case for bilateral (where the collateral is not represented by a security), CCP-cleared or tri-party repos. In these cases the Classification of Financial Instruments (CFI) code must be provided to identify the collateral type.

Where a basket has no generic ISIN and comprises several asset classes on an ad hoc basis (e.g. 60% government bonds, 30% equities, 10% corporate bonds), the CFI code of the largest asset category is retained – in this case government bonds.

163. Collateral ISIN: in case the collateral is a new issue, it might be the case that the ISIN is only known 1 or 2 days after the emission. As the reporting of an ISIN is only necessary for "ISIN of collateral" in the secured market segment (and this is an optional field), would it be sufficient to report "collateral type" and "collateral issuer sector" in these cases? And additionally, would you expect to receive an amendment with the ISIN when it's known after 1 or 2 days?

**Eurosystem reply:** If the ISIN is not known to the reporting agent when the reporting should take place, then "collateral type" and "collateral issuer sector" should be reported. Regarding the resubmission of the amended transaction containing the ISIN, we would expect the transaction to be resubmitted as an amendment containing the ISIN of the collateral.

164. Collateral type: For repos, what are the "collateral types"?

**Eurosystem reply:** The reporting agents should report the Classification of Financial Instruments code (CFI – ISO 10962:2015) under the field collateral type.

165. **NEW:** Collateral type: ISO 10962 is a quite complex code – what level of detail is expected to be provided for that field?

**Eurosystem reply:** The reporting agents should report as much detailed code as possible, i.e. aim to complete all six levels of the CFI code to the extent possible. For instance:

Equities	- 1 level
Common/ordinary shares	- 2 level
Non-voting	- 3 level
Restrictions	- 4 level
Partly paid	- 5 level
Bearer	- 6 level

=> should be reported as ESNTPB

However, the first two levels of the CFI code must be provided (minimum requirement). For instance:

Equities - 1 level

Common/ordinary shares - 2 level

=> should be reported as ESXXXX

Please note that in the case of a basket which contains various asset classes and where it is not possible to identify the basket via a generic single ISIN, then the applicable Collateral Type, Collateral Issuer Sector, Amount and Pool information should be provided. The Collateral type should be populated with the CFI code of the asset representing the largest piece of collateral among those in the basket.

166. Collateral haircut: the haircut formula should be more clearly defined (100 - a ratio)?

**Eurosystem reply:** For reporting purposes, the collateral haircut should be calculated as 100 minus the ratio between the cash lent/borrowed and the market value including accrued interest of the collateral pledged.

**NEW:** For this purpose "cash" means "the amount exchanged between the two parties" and "market value" means "the dirty price".

167. Collateral haircut: could you please clarify which value should be used for "Cash lent/borrowed"? Is it the amount paid at the beginning of the transaction or is it the amount repayable?

**Eurosystem reply:** This is the cash paid at the beginning – when the transaction is conducted.

168. **NEW:** Collateral haircut: According to the Reporting Instructions in case of multi-collateral repos the collateral haircut will be calculated for each of the individual collateral pledged. However, according to the ISO document, the collateral haircut field is not repetitive. Should an average haircut be reported in these cases?

**Eurosystem reply:** Yes, a weighted average haircut for the whole set of collateral pieces has to be reported. The MMSR Reporting Instructions do not explicitly specify that in the case of multi-collateral repos the haircut should be reported for each piece of collateral; they merely clarify that the haircut should take into account each of the individual pieces of collateral pledged.

169. **NEW:** Collateral pool: What should be reported in case there are different securities lending transactions (security against cash) with an individual PTI each but with "one big cash-collateral pool"? Of course, the securities are reported as collateral for the MMSR reporting. Should the cash be split to cover all individual transactions?

For instance:

There are 5 transactions with 5 different securities (collateral nominal amount EUR 100T each) with the same counterparty. All transactions have their own PTI. In addition there is EUR 500T Cash for all the securities.

Should a reporting of 5 transactions with a transaction nominal amount of EUR 100T and a collateral nominal amount EUR 100T each be reported?

**Eurosystem reply:** If there is one “piece” of cash and five ISINs (International Securities Identification Numbers), this is comparable to a multi-collateralised repo transaction which should therefore be reported as one PTI. However, if the reporting agent believes it is better to report five PTIs, each with a different piece of collateral and the cash split into 5 pieces each corresponding to a piece of collateral, this is also possible.

170. **NEW:** Tri-party Agent Identification: What should be reported if the tri-party agent has no LEI? More specifically – when a tri-party agent is a subsidiary/branch and has no LEI, but its parent company LEI is available.

**Eurosystem reply:** In those cases, the reporting agents should report the LEI of the parent company.

## 2.5 Questions regarding specific field definitions for the *unsecured* segment

171. Instrument type: the types of instruments on which reporting agents report are very wide and include some transaction types (for example call money and deposits) that require more precise definitions.

**Eurosystem reply:** The instrument types for the unsecured market segment are explained in the MMSR Reporting Instructions. Definitions of call accounts and deposits are included there, and you can find further clarification on call accounts in Section 1.2.2 of the Q&A document.

172. Instrument type: What is the definition of instrument type? And is this related to a recognised industry categorisation?

**Eurosystem reply:** The instrument types are contained in the list of instruments in Section 5.3.1 of the MMSR Reporting Instructions (Instrument type reference table).

173. **NEW:** Instrument type: In the case of a certificate of deposit with a variable interest rate or a zero-coupon bond, does a different instrument type have to be chosen (e.g. floating-rate note)?

**Eurosystem reply:** Please note that the zero-coupon bond could also be seen as a fixed-rate instrument; as such, given that the coupon is known in advance and there are no intermediate coupons, this instrument should be reported as a normal certificate of deposit.

Regarding the variable rate certificate of deposit, we assume that indeed it should be seen as a floating rate note because the coupon would be defined by a reference rate + spread (this field is not applicable for fixed rate instruments).

174. **NEW:** Transaction Nominal Amount: In case of issuance of short-term security, would it be necessary to report the size of the issuance or the size of the subscription? How should it be reported in the case of a “late” subscription of an undersubscribed issuance?

**Eurosystem reply:** What matters is the effective amount of funds raised i.e. subscription. If it is done “late” it is a new transaction; no secondary market deals are reported – only primary market transactions are to be reported.

175. **NEW:** Deal Rate: How should this be reported in the case of debt instruments?

**Eurosystem reply:** For short-term securities, the effective interest rate should be the applicable yield to maturity. It should be reported as yield to maturity based on actual cash flows, as opposed to the nominal coupon rate.

176. Transaction Deal Price: It is to be reported as 100 for unsecured deposits; Does the same hold for unsecured loans?

**Eurosystem reply:** Yes, the transaction deal price should be reported as 100 in both cases – for unsecured deposits and for unsecured loans.

177. **NEW:** First Call/Put date: In the unsecured regarding the variable ‘First Call/Put date’, the Reporting Instructions specify that the first date on which the call option or the put option can be exercised should be reported. Can this be already on the same day as the settlement day?

**Eurosystem reply:** While it should rarely be the case that the first call date is already on the same day as the settlement date, this can occur and should be reported accordingly.

## 2.6 Questions regarding specific field definitions for the FX Swaps segment

178. **NEW:** UTI: as FX Swaps have two legs, consequently there are two UTIs. Could you please specify which UTI should be reported – the near or the far leg UTI?

**Eurosystem reply:** Please note that when reporting foreign exchange (FX) swaps, the reporting agent should provide the transaction identifier (UTI/CPTI) for the near/spot leg of the trade.

179. Value date: the spot value date is not always available as some FX swaps are forward /forward.

**Eurosystem reply:** The value date in the case of forward/forward foreign exchange swaps would be the near-end (the shorter leg) of the transaction.

180. Foreign exchange spot rate: is this EUR vs Foreign or Foreign vs EUR?

**Eurosystem reply:** The exchange rates should be reported as the number of foreign currency units per 1 euro.

181. Foreign Exchange Forward Points: How it should be reported in case of "tom-next"?

Example:

Trade Date: 26.08. - Exchange rate: 1,141

Settlement Date: 27.08. - Exchange rate: 1,149

Maturity Date: 28.08. - Exchange rate: 1,151

Which exchange rate should be used for spot rate and forward rate to calculate the Foreign Exchange Forward Points?

**Eurosystem reply:** Foreign exchange forward points are always calculated based on the difference between the foreign exchange forward rate and the foreign exchange spot rate regardless of the swap tenor.

182. **NEW:** Should initial and variation margin be reported?

**Eurosystem reply:** No, this information should not be provided.

## 2.7 Questions regarding specific field definitions for the O/S segment

183. **NEW:** Transaction Nominal Amount: If an amortising overnight index swap is novated, should the original nominal amount be reported or should the current nominal amount that is applicable at the moment of novation be reported?

**Eurosystem reply:** The reporting agent should report the current nominal amount.

## 3 Questions regarding the IT implementation and the transmission of data

184. **NEW:** Which days are TARGET2 closing days?

**Eurosystem reply:** TARGET2 closing days are 1 January, Good Friday, Easter Monday, 1 May, 25 December and 26 December.

185. In case there are several separate legal entities within the EFTA, this could lead to the requirement to report to multiple NCBs and potentially also to the ECB. The complexity of segregating the reporting streams is easily recognisable; in this



respect, could you please confirm that the reporting requirements (format, fields, etc.) will be identical notwithstanding the NCB to which a reporting agent will need to report to?

**Eurosystem reply:** A reporting agent may need to report to several national central banks (NCBs) and the ECB for different legal entities. But the format and fields will be the same across the Eurosystem. There is only one set of Reporting Instructions, including the same set of basic data validation checks for the entire Eurosystem. The only difference would be the transmission channel where the reporting agent needs to provide data to the respective NCB or directly to the ECB.

186. The MMSR Reporting Instructions specify that the data for each segment shall be transmitted in separate files. Could single file data transmission also be accommodated?

**Eurosystem reply:** No, the data for each segment must be reported in a separate file. The different files have different variables to be reported and will be subject to different validation checks.

187. Would it be possible the data to be delivered in real-time (trade by trade), instead of one daily report. It would make it easier to meet the reporting deadlines.

**Eurosystem reply:** To facilitate the data flows and communication with reporting agents, the reporting must be done by grouping the reports as set out in Regulation ECB/2014/48. This excludes real-time data transmission.

However, there is also an option for providing the NCBs with more than one file per day per segment per reporting agent, but this is subject to agreement with the respective NCB.

188. File name convention: could you please provide a description of the file naming which is to be used when reporting MMSR data?

**Eurosystem reply:** The name of the MMSR data messages should be constructed in the following way:

<MESSAGE DEFINITION IDENTIFIER>.<LEI>.<DATE>.<INCREMENTAL TRANSMISSION NUMBER>

Please note that file name should not contain any other elements or extensions, such as *.xml* or *.xsd*.

189. File name convention: could you please provide as an example the 15-digit market segment identifier which is to be used for the Message Definition Identifier in the File Naming Convention?

**Eurosystem reply:** The market segment identification is given by using the ISO standards. The identification for the four market segments is the following:

- secured segment is identified with “auth.012.001.01”;

- unsecured segment is identified with “auth.013.001.01”;
- FX swaps segment is identified with “auth.014.001.01”;
- OIS segment is identified with “auth.015.001.01”.

190. Could you please provide clarification on the feedback loop and its timeliness?

**Eurosystem reply:** The Eurosystem intends to provide a feedback loop with three main elements: (i) upon reception of the data file, an acknowledgement message will be made available and immediate feedback sent in the case of a corrupted file, (ii) quick feedback (in principle within a few hours) when records are invalid in an overall non-corrupted file, and (iii) business-oriented feedback (on salient) developments.

191. What mechanisms will be available for reporting agents to be able to evidence controls - completeness, accuracy and SLA compliance? E.g. activity reports, etc.

**Eurosystem reply:** The first level will be a set of data quality checks (i.e. validation rules) covering the technical compliance of the transmitted data. Moreover, the reporting agent will be able to access reporting quality feedback.

192. **NEW:** If there is a corrupted file which needs to be resent, when should this resubmission take place?

**Eurosystem reply:** If possible, the corrected file should be sent on the same day. However, if this is not feasible or not technically possible, the corrected file may also be sent the next day.

193. **NEW:** In the event a file transmission fails, what is the deadline for resubmission/consequences for missing a reporting? If the transaction information is submitted one day late, should the transactions be included into the current days' reporting file or should two separate files be submitted (i.e. one for the reporting due that day and one for the previous day that was missed)?

**Eurosystem reply:** If a file is not submitted, the MMSR Transactional Module will send a reminder e-mail. The data must be submitted together with the next mandatory reporting on the next business day. The transactions should be submitted with the status 'NEWT' in two separate files. However, it is also possible that the information could be sent out in one file which includes both the current and the previous transmission.

194. **NEW:** In relation to transactions where the details are incorrect or incomplete: What is the preferred option of the ECB?

- Submit known incorrect / incomplete transactions with the knowledge that they will fail validation and will then require resubmission;

OR

- Hold back transactions which have not met the internal validations carried out prior to submission, with a view to amending the required information before submission.

**Eurosystem reply:** The data should be submitted even if the reporting agent knows that the transactions are incorrect or incomplete.

The quality of content in each file will be evaluated by the MMSR Transactional Module and information on all errors will be communicated to the reporting agent through automatic messaging.

195. **NEW:** Will the ECB in some cases also query specific details regarding a reporting agent's submitted MMSR data via email? If not, will this occur through the ECB platform instead?

**Eurosystem reply:** For reporting agents submitting directly to the ECB, the following email notifications will be sent by the MMSR Transactional Module:

- a reminder if the reporting agent has not submitted one or more of the requested files;
- a reminder if there are transactions to be corrected. Corrected transactions should be submitted within a period of 10 TARGET2 business days. If they are not, a reminder will be sent on the ninth day.

Reporting agents submitting directly to the ECB will have access to all their submission information through WebUI (U2A channel).

196. **NEW:** How much time (approximately) does it take for ECB to do the basic first level validation for the files (ReceiveDeliveryService response) and how long after we receive the submission response can we send the feedback service request (GetFeedbackService) to get the trade level feedback after ReceiveDeliveryService is successful?

**Eurosystem reply:** The information will be available to you approximately ten minutes after the submission.

197. **NEW:** If no values are available / applicable for a particular tag, should it be sent as a blank tag or should the tag not be present in the XML?

**Eurosystem reply:** If it is a mandatory tag, it should be completed. If a mandatory tag is not present in the XML or is not populated, the transaction will be rejected.

If it is an optional tag, it should not be present in the XML structure.

Please note that there should be no blank or empty tags in any case, as this will lead to a rejection of the transaction.

198. **NEW:** If the first service request (ReceiveDeliveryService) fails due to validation issues, can the resubmission of the file be done on the same day post the 7 a.m. delivery deadline?

**Eurosystem reply:** Yes, this is possible.

There is no a maximum number of times the service can be called; it can be called as many times as necessary, even outside the submission period. Please note that MMSR system services are available on a 24/7 basis, apart from during maintenance periods.

199. **NEW:** What is the validity of the PKI certificate? Do we have separate certificates for production and pre-production environments?

**Eurosystem reply:** The PKI certificate is valid for 2 years. You should use a production certificate for the preproduction environment.

200. **NEW:** Section 8.4 the IT Appendix states, "In case of a Soap Fault, the Web Service response will only contain a SOAP exception (no DeliveryId, no ReportingStatusMessageFile, no StatusMessageFileName will be delivered as expected in the receive DeliveryResponse). The Sender has to contact the MMSR helpdesk or make a new submission."

Can this be done after the 7 a.m. next day reporting deadline? Should it be the same name or should it have a new iteration number?

**Eurosystem reply:** Yes, this can be done after 7 a.m. The file can be sent with the same name.

201. **NEW:** During operation timed out scenarios, it is possible that a reporting agent's systems may not receive a response from the ECB although it might have been processed at the ECB (thus receiving a DeliveryID). During resubmission of the file, it would be rejected saying it is a duplicate submission.

Will the duplicate submission error be sent back to the reporting agent also share the previous DeliveryID (against which the duplicate check failed) so that the reporting agent's systems can map this to the earlier timed out submission and subsequent getfeedbackservice?

**Eurosystem reply:** The reporting agent will be able to recover this information (DeliveryID) manually through the WebUI of the MMSR Transactional Module (U2A channel). It will also be able to download manually the status message through the WebUI.

If it is not a scheduled and automated resubmission, we invite you to check the WebUI prior to resubmitting.

If the reporting agent resubmits the file, all the transactions will be rejected because they are all already present in the database. The reporting agent will receive a status message, but the previous DeliveryID is not included.

202. **NEW:** During maintenance periods when the ECB submission platform services are unavailable, how should a resubmission be carried out? For example, if services are unavailable from 1 June – 3 June, 2016, do we submit all the trades on 4 June with file date as 4 June, or do we submit separate files on the same day?

**Eurosystem reply:** The reporting agent will be able to submit the data in separate files on 4 June for reporting the data for 1 – 3 June and 4 June.

203. **NEW:** We assume that daily reporting submissions occur Monday to Friday therefore transactions carried out will be reported by 7 a.m. at the latest on Monday morning. Could you please confirm if this understanding is correct?

**Eurosystem reply:** MMSR system services are available on a 24/7 basis with the exception of maintenance periods. Transactions which occur on a Friday must be reported (in case of direct reporting to the ECB) by 7 a.m. on the following Monday morning.

Please note that all trades which have been conducted on TARGET2 closing days should also be reported. Therefore transactions conducted for instance on 1 May need to be reported in a separate file. In such a case this file could be reported on the first TARGET2 business day following the TARGET2 closing day - we would have 2 different files being reported on the TARGET2 business day (in our example: by 7:00 a.m. on 2 May). Alternatively, the transactions for 1 May could be included in the file reported on 2 May, together with the transactions of 30 April. In this case the Reference Period in the Business Application Header would need to be adjusted in order to capture both days – 30 April and 1 May.

204. **NEW:** Due to a production issue, a report is not sent for multiple days; however, all subsequent reports are sent successfully. What do we do about the failed report? Do we report it as soon as it is fixed and just ensure its original report period is referenced? Or can subsequent reports only be sent if the current report has been sent (no missing daily reports)?

**Eurosystem reply:** In general, four files must be submitted by each reporting agent each TARGET2 business day (one for each of the four money market segments), unless agreed otherwise with the respective national central bank (NCB). These files are to be submitted on a given TARGET2 business day independent of whether files have been submitted on the previous TARGET2 business day. If a transmission from a reporting agent to the ECB or respective NCB fails on a certain TARGET2 business day, this report should be sent on the next TARGET2 business day, or alternatively, the respective transactions should be included in the report submitted on the next TARGET2 business day.

205. **NEW:** As missing daily reports are possible, what if a 5 April report gets fixed and submitted on 10 April with a transaction in NEWT status, but an amendment to that transaction was already submitted in an earlier report on 8 April as AMND? What do we do? The assumption is we can't do anything but continue to submit the 5 April report once fixed, and NEWT status will have to come after the AMND version.

**Eurosystem reply:** Amendments to transactions can only be reported after the original transaction has been reported – otherwise the respective transaction will fail the data quality checks and be rejected. Therefore, the reporting agent should first submit the respective transactions for 5 April by submitting the corrected report on 6 April (or within 10 days at the latest).

206. **NEW:** When a file is rejected, what would be assigned to the transactions which are included to the file? Are all transactions in a file marked as rejected or are the different transactions assigned with the different applicable status? Should the reporting agent resend all the transaction or just the rejected ones, and with the original or the correction status.

**Eurosystem reply:** This depends on whether there is a breach of the threshold for erroneous transactions. The following two cases should be considered:

- (a) The number of erroneous transactions in a reported file is below the threshold (i.e. the reported file contains less than X% rejected transactions): the reporting agent receives a request for correction of the erroneous transactions in the status message and the rejected transactions should be resent with CORR status.
- (b) The number of erroneous transactions in a reported file is above the threshold (i.e. the reported file contains X% rejected transactions or more): the entire file is rejected. The reporting agent should send a corrected file showing the transactions with their initial status (e.g. if a transaction had status NEWT in the file initially submitted, then this transaction should also have status NEWT in the resubmitted file; if the status was CORR in the initial file it should be resubmitted as CORR, etc.). In addition, the status message sent to the reporting agent will contain 'RJCT' in the 'ReportStatus' in the Business Application Header (BAH), and also the status (RJCT/WARN) of the individual transactions.