

Repo Working Group

Bilateral Repo Trade and Post-Trade Proposal

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# Document History

| **Revision** | **Date** | **Author** | **Revision Comments** |
| --- | --- | --- | --- |
| 0.1 | March 18, 2020 | REPO WG, edited by Charu Mittal | Initial draft |
| 0.2 | March 30, 2020 | REPO WG, edited by Charu Mittal | Edited based on internal review. |
| 0.3 | April 21, 2020 | REPO WG, edited by Charu Mittal | Edited based on GTC review |
| 0.4 | June 15, 2020 | REPO WG, edited by Charu Mittal | Resolved public review comments. Requires additional value for TradeContinuation(1937). Also, included TradeContinuationText(2374) in AllocationInstruction(35=J), AllocationReport(35=AS), and Confirmation(35=AK) messages.  Updated based on GTC feedback. Added 'rerate' in 'Business requirements' section and updated Summary of changes. |
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The above document history section, including date, author, and comments, is required to track editing changes to the document. List revisions in **ascending order**. Please insert additional rows in the table as needed.

Template version information:

r2: 2010-11-13 Revised to support abbreviations, inlined component references

r3: 2011-12-02 Revised to add additional usage clarification

r3.1: 2013-01-04 Revised Copyright year, changed template to Office 2013 .docx version, updated font to Calibri for cleaner look. Added additional template usage clarification.

R3.2 2016-05-23 – revised the copyright date, corrected document references and replaced the FIX logo with the most current graphic.

2016-09-14 – Removed blue highlighting from hidden text content, removed ICR column from 5.1 and 6.1 tables and added “FIX Spec” to the Comments column header of table 6.1 and revised notation of optional elaboration for fields and enums in the data dictionary.

# Introduction

This gap analysis proposal is submitted by the Repo Working Group to address requirements identified by the group related to trade and post-trade workflows for bilateral repo transactions. The Repo WG has published two recommended practices to support trade and post-trade communication directly between buy-side and sell-side firms using FIX protocol.

In the process of preparing the recommended practices, gaps were identified within the scope of supporting Repo bilateral trade and post-trade workflows.

# Business Requirements

Key gaps identified during bilateral repo trade and post-trade workflows are mostly related to life-cycle events like Rollover, changing open repo terms, and early termination. The table below illustrates business requirements identified along with the proposed solution.

**Table 1: Summary of proposed solution**

| **#** | **Subject** | **Requirement** | **Proposed Solution** |
| --- | --- | --- | --- |
| 1 | Repo Rollover | * *Identify that the re-negotiation is due to a repo rollover.* | Addition of a new value:  **TrdType(828)=TBD (Roll trade**) |
|  |  | * *Specify original trade details in the RFQ and quote messages. Interest payoff amount is negotiable between the two trading parties.* | Stipulations/  NoStipulations(232)=4  StipulationType(233)=REFTRADE - Reference to rolling trade  StipulationValue(234)=<UTI of rolling trade>  StipulationType(233)=REFPRIN - Principal of rolling trade  StipulationValue(234)=<Principal amount>  StipulationType(233)=REFINT - Interest of rolling trade  StipulationValue(234)=<Accrued interest>  **StipulationType(233)=PAYOFF** - **Interest payoff at the time of rolling or amending an existing trade.**  **StipulationValue(234)=<Payoff value>** |
| 2 | Increase/decrease open repo terms | * *Identify the existing trade in RFQ message.* | ClOrdID(11) referencing existing transaction's ClOrdID.  RegulatoryTradeIDGrp, if UTI is available. |
|  |  | * *Identify the type of trade amendment leading to re-negotiation* | TradeContinuation(1937)=  3 (Partial trade unwind) - Based on mutual agreement of the counterparties, used to decrease notional amount of an existing repo trade.  8 (Amendment) - Based on mutual agreement of the counterparties, used to change contract terms of an existing repo trade.  9 (Increase) - Based on mutual agreement of the counterparties, used to increase notional amount of an existing repo trade. |
|  |  | * *Interest payoff at the time of amending an existing trade.* | **StipulationType(233)=PAYOFF** - **Interest payoff at the time of rolling or amending an existing trade.**  **StipulationValue(234)=<Payoff value>** |
| 3 | Rerate | * *Identify the existing trade in RFQ message.* * *Identify this is a request to re-rate an existing repo contract.* | ClOrdID(11) referencing existing transaction's ClOrdID.  RegulatoryTradeIDGrp, if UTI is available.  **TradeContinuation(1937)=TBD (Rerate) - Change in the repo rate of an open repo contract due to shift in the market conditions.** |
| 4 | Early termination | * *Early termination originated by the RFQ initiator during re-negotiation of an open repo.* | QuoteResponse(AJ) message:  **QuoteRespType(694)=TBD (Terminate contract) - used to terminate an existing contract.**  **TerminationDate(2878)**  Text(58)=<Termination reason>  QuoteStatusReport(AI) message:  QuoteStatus(297)=0 (Accepted) - used to acknowledge an early termination message.  **TerminationDate(2878)** |
|  |  | * *Early termination originated by RFQ receiver during re-negotiation of an open repo* | QuoteStatusReport(AI) message:  **QuoteStatus(297)=TBD (Contract terminated) - Used when terminating an existing contract.**  **TerminationDate(2878)**  Text(58)=<Termination reason>  QuoteResponse(AJ) message:  **QuoteRespType(694)=TBD (Accept) - Used in response to acknowledge an action communicated by the counterparty**.  **TerminationDate(2878)** |
|  |  | * *Post-trade early termination* | TradeCaptureReport(35=AE) message:  TradeContinuation(1937)=31 (Early termination)  TerminationDate(2878)  Text(58)=<Termination reason> |
| 5 | Securities-driven repo (specials) | *Identify nominal collateral amount in RFQ and Quote message. Cash amount is unknown during initial negotiation.* | Nominal collateral amount will be specified in  UnderlyingInstrument/ UnderlyingQty(879)  **OrderQtyData component is not required for securities driven repo.** |
| 6 | Reference data for collateral securities | *Accrued interest amount and number of days of interest for collateral securities to be included during negotiation and post-trade collateral management.* | **UnderlyingInstrument/**  **UnderlyingAccruedInterestAmt(TBD)**  **UnderlyingNumDaysInterest(TBD)** |

## Summary of changes

Below is a summary list of all the proposed extensions:

Components:

1. Addition of existing RegulatoryTradeIDGrp component to QuoteRequest(35=R) message. The component will be used to reference existing trade's UTI while amending or rolling over an open repo trade.
2. Updating requirement of existing OrderQtyData component to conditionally required in QuotReqGrp component, Quote(35=S), QuoteResponse(35=AJ), and QuoteStatusReport(35=AI) messages depending on the type of instrument. A security-driven repo (specials) is quoted based on nominal collateral amount which is specified in UnderlyingQty(879). The cash consideration specified in OrderQty(32) is usually unknown at the time of quote request and is negotiated upon, therefore an "order quantity" cannot be specified.

Fields:

1. Addition of existing field TrdType(828) in Quote(35=S) and QuoteResponse(35=AJ) messages. The field is used to specify a rollover trade.
2. Addition of existing field TradeContinuation(1937) in QuoteRequest(35=R), Quote(35=S), QuoteResponse(35=AJ), QuoteStatusReport(35=AI), and ExecutionReport(35=8) messages. The field is used to specify the type of amendment of an existing repo trade.
3. Addition of existing field TradeContinuationText(2374) in QuoteRequest(35=R), Quote(35=S), QuoteResponse(35=AJ), QuoteStatusReport(35=AI), ExecutionReport(35=8), AllocationInstruction(35=J), AllocationReport(35=AS), and Confirmation(35=AK) messages. The field is used to specify additional information.
4. Addition of existing field TerminationDate(2878) in QuoteResponse(35=AJ) and QuoteStatusReport(35=AI) messages.
5. Addition of new field UnderlyingAccruedInterestAmt to existing UnderlyingInstrument component to communicate accrued interest amount associated with a collateral security.
6. Addition of new field UnderlyingNumDaysInterest to existing UnderlyingInstrument component to communicate number of days of interest associated with a collateral security.

Valid Values:

1. New valid value "Roll trade" for field TrdType(828) to specify a rollover trade.
2. New valid value "PAYOFF" for field StipulationType(233)=PAYOFF to specify interest that needs to be paid off while rolling or amending an existing repo trade.
3. New valid values "Terminate contract" and "Accept" for field QuoteRespType(694) to support early termination of open repo trades.
4. New valid value "Contract terminated" for field QuoteStatus(297) to support early termination of open repo trades.
5. New valid value "Rerate" for field TradeContinuation(1937) to specify re-rate of an existing repo contract.

# Issues and Discussion Points

# Proposed Message Flows

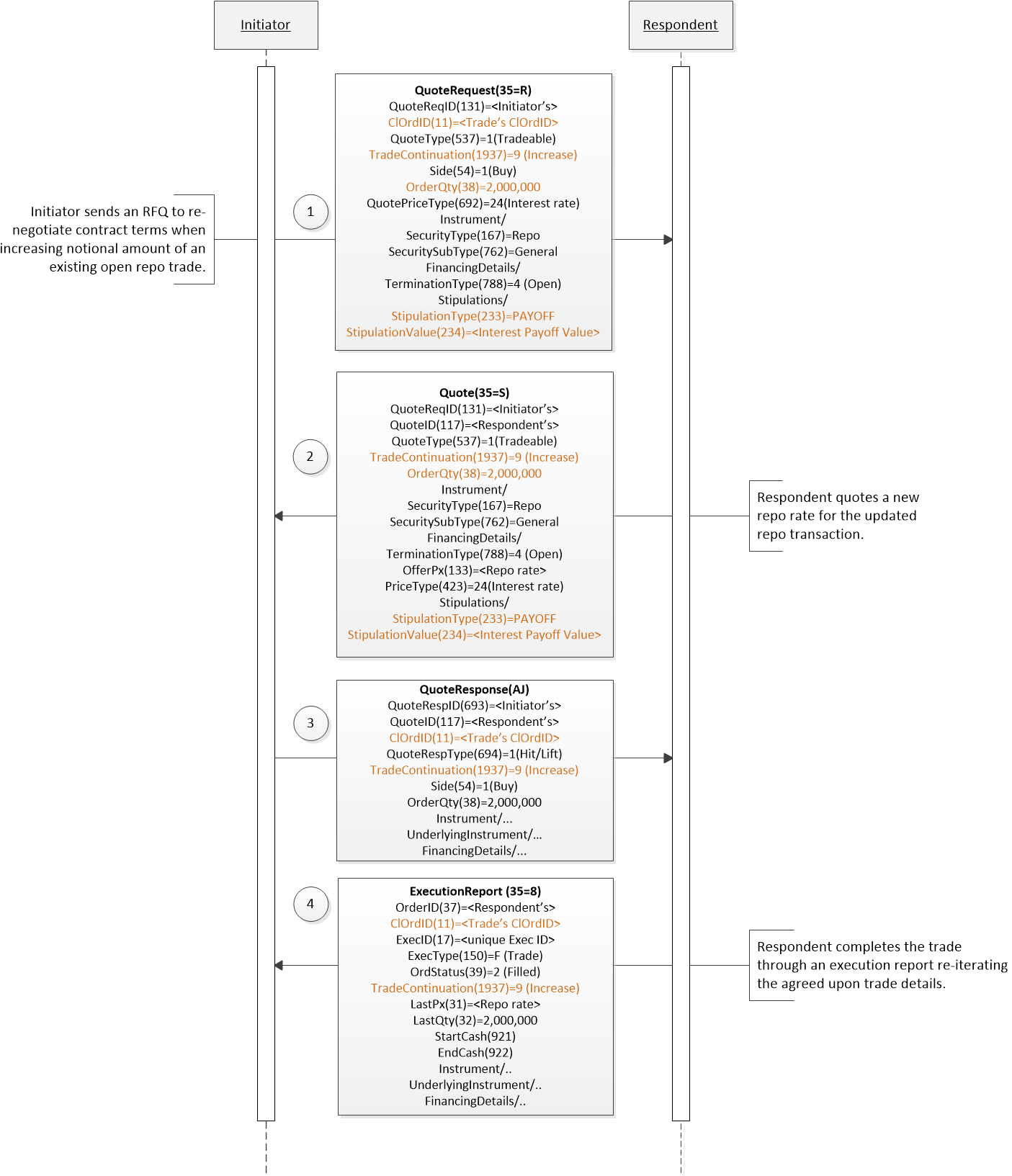
## Repo life-cycle events

Basic flow for repo life-cycle events leading to re-negotiation of an existing repo contract is illustrated below. The life-cycle events include repo rollover, increase/decrease open repo term, and rerate.

### Increase/Decrease open repo terms

The party interested in rolling over or amending terms of an existing trade sends a QuoteRequest(35=R) message with new contract details. Once initiated, the negotiation dialogue can lead to a new repo rate for the repo trade including changes in other contractual details.

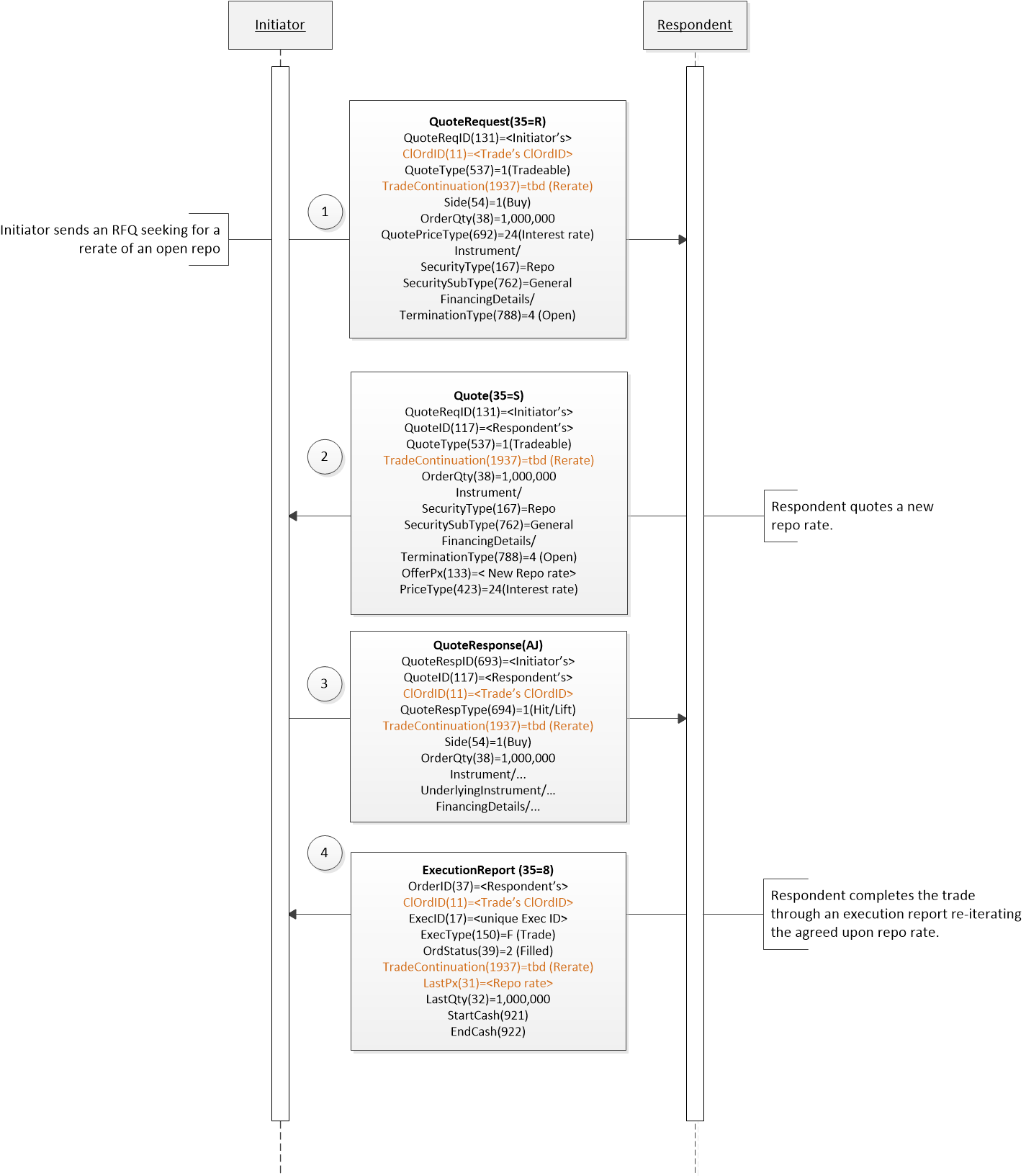
**Figure 1: Amendment of an open repo**



### Rerate

Move in market conditions can lead to parties requesting a re-rate of an existing open repo contract. A re-rate is to renegotiate and adjust the repo rate based on market conditions. An interested party can initiate the request using QuoteRequest(35=R) message with TradeContinuation(1937)=TBD (Rerate).

**Figure 2: Rerate of an open repo**

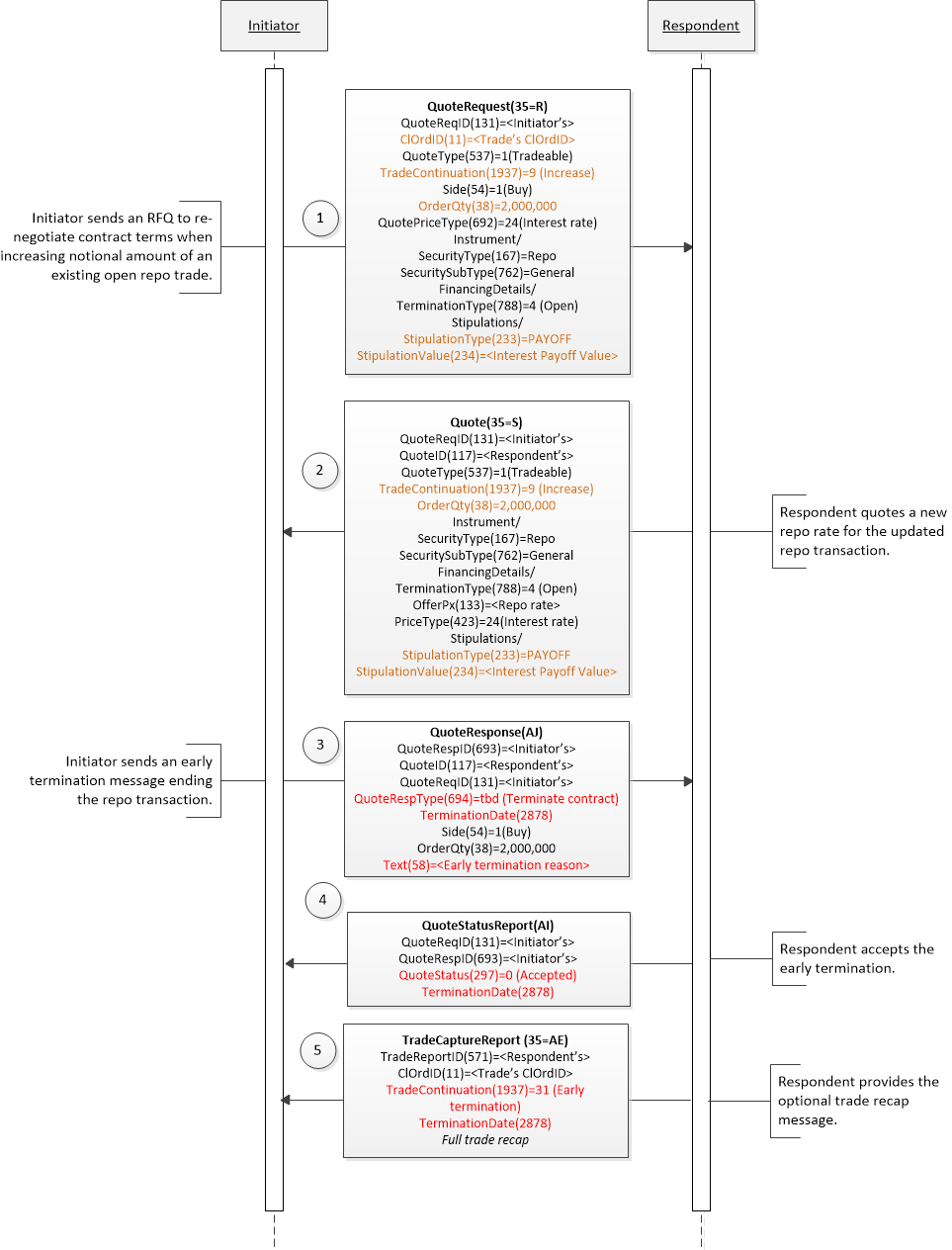


## Early termination

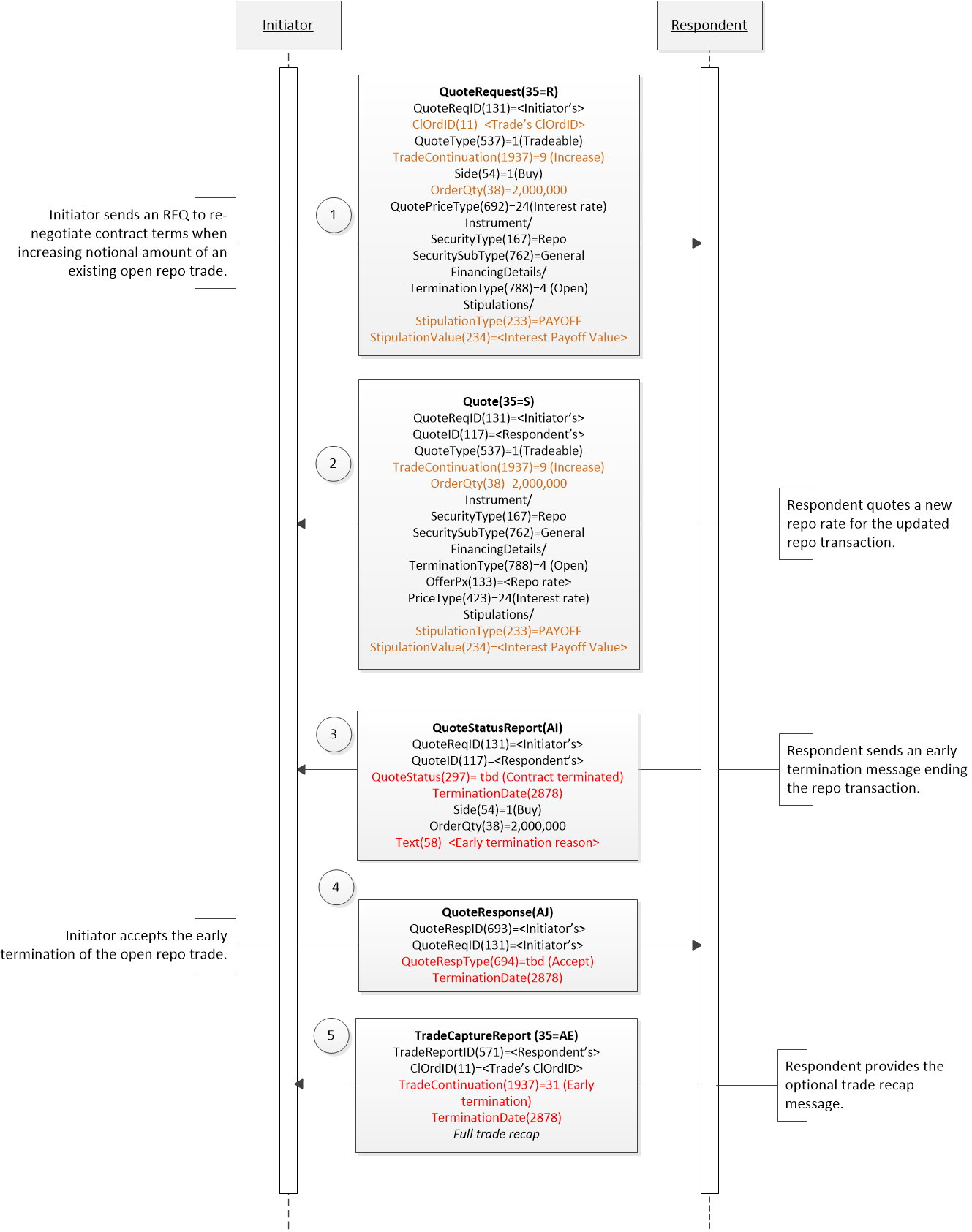
### Early termination during re-negotiation

Either of the trading parties can send an early termination message during the re-negotiation of an existing open repo trade.

**Figure 3: An early termination message initiated by RFQ initiator**



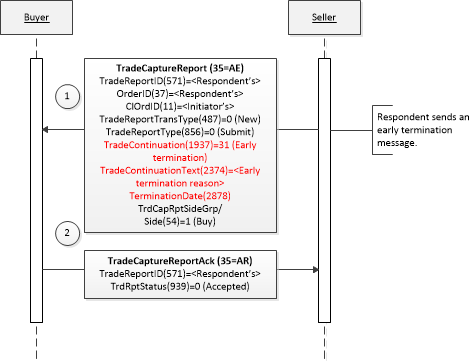
**Figure 4: An early termination message initiated by RFQ receiver**



### Post-trade Early termination

An existing repo trade can be terminated early by either of the trading parties using TradeCaptureReport(35=AE) message. For early termination, use TradeContinuation(1937)=31 (Early termination) along with termination date in TerminationDate(2878) and reason behind termination in TradeContinuationText(2374).

**Figure 5: Early termination of an existing repo trade**



# FIX Message Tables

## Quote(35=S)

|  |  |  |
| --- | --- | --- |
| To be completed at the time of the proposal – all information provided will be stored in the repository | | |
| Message Name | | Quote |
| Message Abbreviated Name (for FIXML) | |  |
| Category | |  |
| Action | | \_\_New \_X\_Change |
| Message Synopsis  Required, short, one or two paragraph description of the message. |  | |
| Message Elaboration  Optional longer description of the message usage |  | |
| To be finalized by FPL Technical Office | | |
| (MsgType(tag 35) Enumeration | |  |
| Repository Component ID | |  |

| *Tag* | *Field Name* | *Req'd* | *Action* | *Mappings and Usage Comments* | *FIX Spec Comments* |
| --- | --- | --- | --- | --- | --- |
|  | Standard Header | Y |  |  | MsgType = S |
| 131 | QuoteReqID |  |  |  |  |
| 117 | QuoteID |  |  |  |  |
| *(…truncated…)* | | | | | |
| QuotQualGrp | |  |  |  |  |
| 828 | TrdType | N | ADD | Used when rolling over an existing repo trade. | Type of trade. |
| 2115 | TradeNegotiationMethod |  |  |  |  |
| *(…truncated…)* | | | | | |
| 54 | Side |  |  |  |  |
| OrderQtyData | | N | Change | Nominal collateral amount for a securities driven repo is specified in UnderlyingQty(879). | Conditionally ~~R~~required for Tradeable or Counter quotes of single instruments when applicable for the type of instrument. |
| 63 | SettlType |  |  |  |  |
| *(…truncated…)* | | | | | |
| RoutingGrp | |  |  |  |  |
| 1937 | TradeContinuation | N | ADD | Specifies the post-execution trade continuation or lifecycle event while negotiating for an existing repo trade. | Specifies the post-execution trade continuation or lifecycle event. |
| 2374 | TradeContinuationText | N | ADD |  |  |
| *(…truncated…)* | | | | | |
|  | *Standard Trailer* | Y |  |  |  |

## QuoteResponse(35=AJ)

|  |  |  |
| --- | --- | --- |
| To be completed at the time of the proposal – all information provided will be stored in the repository | | |
| Message Name | | QuoteResponse |
| Message Abbreviated Name (for FIXML) | |  |
| Category | |  |
| Action | | \_\_New \_X\_Change |
| Message Synopsis  Required, short, one or two paragraph description of the message. |  | |
| Message Elaboration  Optional longer description of the message usage |  | |
| To be finalized by FPL Technical Office | | |
| (MsgType(tag 35) Enumeration | |  |
| Repository Component ID | |  |

| *Tag* | *Field Name* | *Req'd* | *Action* | *Mappings and Usage Comments* | *FIX Spec Comments* |
| --- | --- | --- | --- | --- | --- |
|  | Standard Header | Y |  |  | MsgType = AJ |
| 693 | QuoteRespID |  |  |  |  |
| 117 | QuoteID |  |  |  |  |
| *(…truncated…)* | | | | | |
| 54 | Side |  |  |  |  |
| OrderQtyData | | N | Change | Nominal collateral amount for a securities driven repo is specified in UnderlyingQty(879). | Conditionally r~~R~~equired when countering a single instrument quote or "hit/lift" an IOI or Quote when applicable for the type of instrument. |
| 110 | MinQty |  |  |  |  |
| 63 | SettlType |  |  |  |  |
| 64 | SettlDate |  |  |  |  |
| 2878 | TerminationDate | N | ADD | Early termination date of an open repo trade. |  |
| *(…truncated…)* | | | | | |
| YieldData | |  |  |  |  |
| 1937 | TradeContinuation | N | ADD | Specifies the post-execution trade continuation or lifecycle event while negotiating for an existing repo trade. | Specifies the post-execution trade continuation or lifecycle event. |
| 2374 | TradeContinuationText | N | ADD |  |  |
| *(…truncated…)* | | | | | |
|  | *Standard Trailer* | Y |  |  |  |

## QuoteStatusReport(35=AI)

|  |  |  |
| --- | --- | --- |
| To be completed at the time of the proposal – all information provided will be stored in the repository | | |
| Message Name | | QuoteStatusReport |
| Message Abbreviated Name (for FIXML) | |  |
| Category | |  |
| Action | | \_\_New \_X\_Change |
| Message Synopsis  Required, short, one or two paragraph description of the message. |  | |
| Message Elaboration  Optional longer description of the message usage |  | |
| To be finalized by FPL Technical Office | | |
| (MsgType(tag 35) Enumeration | |  |
| Repository Component ID | |  |

| *Tag* | *Field Name* | *Req'd* | *Action* | *Mappings and Usage Comments* | *FIX Spec Comments* |
| --- | --- | --- | --- | --- | --- |
|  | Standard Header | Y |  |  | MsgType = AI |
| 649 | QuoteStatusReqID |  |  |  |  |
| 131 | QuoteReqID |  |  |  |  |
| *(…truncated…)* | | | | | |
| 54 | Side |  |  |  |  |
| OrderQtyData | | N | Change | Nominal collateral amount for a securities driven repo is specified in UnderlyingQty(879). | Conditionally required for quotes of single instrument depending on the type of instrument when QuoteType(537)=1 (Tradeable). |
| 63 | SettlType |  |  |  |  |
| 64 | SettlDate |  |  |  |  |
| 2878 | TerminationDate | N | ADD | Early termination date of an open repo trade. |  |
| *(…truncated…)* | | | | | |
| 1328 | RejectText |  |  |  |  |
| 1937 | TradeContinuation | N | ADD | Specifies the post-execution trade continuation or lifecycle event while negotiating for an existing repo trade. | Specifies the post-execution trade continuation or lifecycle event. |
| 2374 | TradeContinuationText | N | ADD |  |  |
| *(…truncated…)* | | | | | |
|  | *Standard Trailer* | Y |  |  |  |

## ExecutionReport(35=8)

|  |  |  |
| --- | --- | --- |
| To be completed at the time of the proposal – all information provided will be stored in the repository | | |
| Message Name | | ExecutionReport |
| Message Abbreviated Name (for FIXML) | |  |
| Category | |  |
| Action | | \_\_New \_X\_Change |
| Message Synopsis  Required, short, one or two paragraph description of the message. |  | |
| Message Elaboration  Optional longer description of the message usage |  | |
| To be finalized by FPL Technical Office | | |
| (MsgType(tag 35) Enumeration | |  |
| Repository Component ID | |  |

| *Tag* | *Field Name* | *Req'd* | *Action* | *Mappings and Usage Comments* | *FIX Spec Comments* |
| --- | --- | --- | --- | --- | --- |
|  | Standard Header | Y |  |  | MsgType = 8 |
| 37 | OrderID |  |  |  |  |
| 2422 | OrderRequestID |  |  |  |  |
| *(…truncated…)* | | | | | |
| TradePriceConditionGrp | |  |  |  |  |
| 1937 | TradeContinuation | N | ADD | Specifies the post-execution trade continuation or lifecycle event while negotiating for an existing repo trade. | Specifies the post-execution trade continuation or lifecycle event. |
| 2374 | TradeContinuationText | N | ADD |  |  |
| *(…truncated…)* | | | | | |
|  | *Standard Trailer* | Y |  |  |  |

## AllocationInstruction(35=J)

|  |  |  |
| --- | --- | --- |
| To be completed at the time of the proposal – all information provided will be stored in the repository | | |
| Message Name | | AllocationInstruction |
| Message Abbreviated Name (for FIXML) | |  |
| Category | |  |
| Action | | \_\_New \_X\_Change |
| Message Synopsis  Required, short, one or two paragraph description of the message. |  | |
| Message Elaboration  Optional longer description of the message usage |  | |
| To be finalized by FPL Technical Office | | |
| (MsgType(tag 35) Enumeration | |  |
| Repository Component ID | |  |

| *Tag* | *Field Name* | *Req'd* | *Action* | *Mappings and Usage Comments* | *FIX Spec Comments* |
| --- | --- | --- | --- | --- | --- |
|  | Standard Header | Y |  |  | MsgType = J |
| 70 | AllocID | Y |  |  |  |
| 2758 | AllocRequestID | N |  |  |  |
| *(…truncated…)* | | | | | |
| 1937 | TradeContinuation | N |  |  |  |
| 2374 | TradeContinuationText | N | ADD |  |  |
| *(…truncated…)* | | | | | |
|  | *Standard Trailer* | Y |  |  |  |

## AllocationReport(35=AS)

|  |  |  |
| --- | --- | --- |
| To be completed at the time of the proposal – all information provided will be stored in the repository | | |
| Message Name | | AllocationReport |
| Message Abbreviated Name (for FIXML) | |  |
| Category | |  |
| Action | | \_\_New \_X\_Change |
| Message Synopsis  Required, short, one or two paragraph description of the message. |  | |
| Message Elaboration  Optional longer description of the message usage |  | |
| To be finalized by FPL Technical Office | | |
| (MsgType(tag 35) Enumeration | |  |
| Repository Component ID | |  |

| *Tag* | *Field Name* | *Req'd* | *Action* | *Mappings and Usage Comments* | *FIX Spec Comments* |
| --- | --- | --- | --- | --- | --- |
|  | Standard Header | Y |  |  | MsgType = AS |
| 755 | AllocReportID | Y |  |  |  |
| 70 | AllocID | N |  |  |  |
| *(…truncated…)* | | | | | |
| 1937 | TradeContinuation | N |  |  |  |
| 2374 | TradeContinuationText | N | ADD |  |  |
| *(…truncated…)* | | | | | |
|  | *Standard Trailer* | Y |  |  |  |

## Confirmation(35=AK)

|  |  |  |
| --- | --- | --- |
| To be completed at the time of the proposal – all information provided will be stored in the repository | | |
| Message Name | | Confirmation |
| Message Abbreviated Name (for FIXML) | |  |
| Category | |  |
| Action | | \_\_New \_X\_Change |
| Message Synopsis  Required, short, one or two paragraph description of the message. |  | |
| Message Elaboration  Optional longer description of the message usage |  | |
| To be finalized by FPL Technical Office | | |
| (MsgType(tag 35) Enumeration | |  |
| Repository Component ID | |  |

| *Tag* | *Field Name* | *Req'd* | *Action* | *Mappings and Usage Comments* | *FIX Spec Comments* |
| --- | --- | --- | --- | --- | --- |
|  | Standard Header | Y |  |  | MsgType = AK |
| 664 | ConfirmID | Y |  |  |  |
| 772 | ConfirmRefID |  |  |  |  |
| *(…truncated…)* | | | | | |
| 1937 | TradeContinuation | N |  |  |  |
| 2374 | TradeContinuationText | N | ADD |  |  |
| *(…truncated…)* | | | | | |
| 381 | GrossTradeAmt | Y | Change | For repos, this is same as AllocQty(80), i.e. cash consideration allocated to this account. | ~~AllocQty(80) \* AvgPx(6)~~  Gross trade amount for the allocated account being confirmed. |
| *(…truncated…)* | | | | | |
|  | *Standard Trailer* | Y |  |  |  |

# FIX Component Blocks

## QuotReqGrp

|  |  |  |
| --- | --- | --- |
| To be completed at the time of the proposal – all information provided will be included in the repository | | |
| Component Name | | QuotReqGrp |
| Component Abbreviated Name (for FIXML) | |  |
| Component Type | | \_\_X\_ Block Repeating \_\_\_ Block |
| Category | | [enter the category name here] |
| Action | | \_\_New \_X\_Change |
| Component Synopsis  Required, short, one or two paragraph description of the component. | (no change) | |
| Component Elaboration  Optional longer description of the component usage | (no change) | |
| To be finalized by FPL Technical Office | | |
| Repository Component ID | |  |

| Component FIXML Abbreviation: <*QuotReq*> | | | | | | |
| --- | --- | --- | --- | --- | --- | --- |
| *Tag* | *Field Name* | | *Req'd* | *Action* | *Mappings and Usage Comments* | *FIX Spec Comments* |
| 146 | NoRelatedSym | |  |  |  |  |
| 🡪 | Instrument | |  |  |  |  |
| 🡪 | FinancingDetails | |  |  |  |  |
| *(…truncated…)* | | | | | | |
| 🡪 | OrderQtyData | | N | Change | Nominal collateral amount for a securities driven repo is specified in UnderlyingQty(879). | Conditionally r~~R~~equired for single instrument quoting when applicable for the type of instrument. |
| 🡪 | 110 | MinQty |  |  |  |  |
| 🡪 | 63 | SettlDate |  |  |  |  |
| *(…truncated…)* | | | | | | |
| 🡪 | QuotQualGrp | |  |  |  |  |
| 🡪 | 828 | TrdType |  |  |  |  |
| 🡪 | 2347 | RegulatoryTransactionType |  |  |  |  |
| 🡪 | RegulatoryTradeIDGrp | | N | ADD | Specifies UTI (unique trade identifier) of the trade being modified. |  |
| *(…truncated…)* | | | | | | |
| 🡪 | Parties | | N |  |  |  |
| 🡪 | 1937 | TradeContinuation | N | ADD | Specifies the post-execution trade continuation or lifecycle event while negotiating for an existing repo trade. | Specifies the post-execution trade continuation or lifecycle event. |
| 🡪 | 2374 | TradeContinuationText | N | ADD |  |  |
| 🡪 | 443 | StrikeTime |  |  |  |  |
| *(…truncated…)* | | | | | | |
|  | *Standard Trailer* | | Y |  |  |  |

## UnderlyingInstrument

|  |  |  |
| --- | --- | --- |
| To be completed at the time of the proposal – all information provided will be included in the repository | | |
| Component Name | | UnderlyingInstrument |
| Component Abbreviated Name (for FIXML) | | Undly |
| Component Type | | \_\_\_ Block Repeating \_X\_\_ Block |
| Category | | [enter the category name here] |
| Action | | \_\_New \_X\_Change |
| Component Synopsis  Required, short, one or two paragraph description of the component. | (no change) | |
| Component Elaboration  Optional longer description of the component usage | (no change) | |
| To be finalized by FPL Technical Office | | |
| Repository Component ID | |  |

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Component FIXML Abbreviation: <*Undly*> | | | | | |
| *Tag* | *Field Name* | *Req'd* | *Action* | *Mappings and Usage Comments* | *FIX Spec Comments* |
| 311 | UnderlyingSymbol |  |  |  |  |
| *(…truncated…)* | | | | | |
| 886 | UnderlyingEndValue |  |  |  |  |
| TBD | UnderlyingAccruedInterestAmt | N | ADD | Reference data for security used as collateral for a repo trade. | Amount of accrued interest of the underlying security. |
| TBD | UnderlyingNumDaysInterest | N | ADD | Reference data for security used as collateral for a security. | Number of days of interest for the underlying security. |
| *(…truncated…)* | | | | | |
| </*Undly*> | | | | | |

# Category Changes

|  |  |  |
| --- | --- | --- |
| To be completed at the time of the proposal – all information provided is stored in the repository | | |
| Category Name | | [enter the category name here] |
| Section | | \_\_PreTrade  \_\_Trade  \_\_PostTrade  \_\_Infrastructure |
| Category Synopsis  Required, short, one or two paragraph category description. | [enter the category synopsis here] | |
| Category Elaboration  Optional longer description of the category usage. | [enter the category elaboration here] | |
| To be finalized by FPL Technical Office | | |
| Category Filename | |  |

# Appendix A - Data Dictionary

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Tag** | **Field Name** | **Action** | **Datatype** | **Description** | **FIXML Abbreviation** | **Add to / Deprecate from Message type or Component block** |
| TBD | UnderlyingAccruedInterestAmt | New | Amt | Amount of accrued interest of underlying security. | AcrdIntAmt | Add to:  UnderlyingInstrument component |
| TBD | UnderlyingNumDaysInterest | New | int | Number of days of interest for underlying security. | NumDaysInt | Add to:  UnderlyingInstrument component |
| 233 | StipulationType | Change | String | Type of stipulation.  Values:  REFTRADE=R~~r~~eference to rolling or closing trade  REFPRIN=P~~p~~rincipal to rolling or closing trade  REFINT=I~~i~~nterest of rolling or closing trade  PAYOFF=Interest payoff of rolling or amending trade. |  |  |
| 297 | QuoteStatus | Change | int | Identifies the status of the quote acknowledgement.  Values:  TBD=Contract terminated  [Elaboration: Indicates a contract has been or is being terminated.] |  |  |
| 381 | GrossTradeAmt | Change | Amt | Total amount traded ~~(i.e. quantity \* price)~~ expressed in units of currency - usually quantity \* price. For FX Futures this is used to express the notional value of a fill when quantity fields are expressed in terms of contract size (i.e. quantity \* price \* contract size). |  |  |
| 694 | QuoteRespType | Change | int | Identifies the type of QuoteResponse(35=AJ).  Values:  7 = End trade  [Elaboration: Indicates an end to the trade negotiation.]  TBD=Accept  [Elaboration: Used in a response to acknowledge an action communicated by the counterparty]  TBD=Terminate contract  [Elaboration: Used to communicate the termination of an existing contract.] |  |  |
| 828 | TrdType | Change | int | Type of trade.  Values:  TBD=Roll trade  [Elaboration: Trade is a roll from one contract that is about to expire to a new contract.] |  |  |
| 1937 | TradeContinuation | Change | int | Specifies the post-execution trade continuation or lifecycle event.  Supported values:  TBD = Rerate  [Elaboration: Change in the repo rate of an open repo contract due to shift in the market conditions.] |  |  |
| 2374 | TradeContinuationText | Change | String | ~~Elaboration of the purpose or action of the regulatory report when TradeContinuation(1937)=99 (Other).~~  Free form text to specify additional trade continuation information or data. |  |  |

# Appendix B - Glossary Entries

|  |  |  |
| --- | --- | --- |
| **Term** | **Definition** | **Field where used** |
|  |  |  |
|  |  |  |
|  |  |  |
|  |  |  |

# Appendix C - Abbreviations

|  |  |  |
| --- | --- | --- |
| **Term** | **Proposed Abbreviation** | **Proposed Messages, Components, Fields where used** |
|  |  |  |
|  |  |  |
|  |  |  |
|  |  |  |

# Appendix D - Usage Examples

[Examples may be entered below this line]

# Appendix E – Disposition of Public Comments

Repo Best Practices - Public comments:

Willson <company>:

* It would be better if Trade continuation(2374) have enum values to support collateral substitution and Re-Rate in the TradeCaptureReport(AE) as they are also standard lifecycle events for Repos.

**Resolution:** We are introducing a new enum for TradeContinuation(1937)= TBD (Rerate). The trade and post-trade recommended practices will include the suggested workflows.

Collateral substitution is performed using CollateralAssignment(35=AY) messages where CollAction(944) identifies the action being performed. REPO WG doesn’t recommend using TradeCaptureReport(35=AE) for actions performed at collateral level.

**Action:** Introduce TradeContinuation(1937)=TBD (Rerate).

Ramjee Penta <company>:

* Instead of using the generic field Text(58), can we introduce a new field like TerminationReasonText(tbd) similar to TradeContinuationText(2374). TradeCaptureReport(AE) is a multipurpose message and the generic field Text(58) is already used for a variety of reasons in different contexts. Hence a separate field TerminationReasonText(tbd) would be better.

**Resolution:** The suggested new field will not be added. The data dictionary description for TradeContinuationText(2374) was updated in the Gap Analysis proposal to include any text that further provides information associated with the TradeContinuation(1937) enum value.

**Action:** None

* Can we have a life cycle event for RERATE similar to REPRICE? Or is the practice suggesting to use the same approach and messages both for REPRICE and RERATE? We do have certain vendors who support RERATE and REPRICE as distinct events.

**Resolution:** Rerate and reprice are considered two separate life-cycle events involving different FIX messages.

RERATE comprises of re-negotiation flow between the two counterparties, propagating the new rate down to allocation and confirmation messages. We are introducing a new value for TradeContinuation(1937)=TBD (Rerate) to reflect this is a Rerate life cycle event. Please keep in mind, this value should be used when an existing open repo contract is re-rated due to shift in market conditions. For cases when repo contract has a new rate due to a change in contract details, TradeContinuation(1937)=8 (Amendment) is more appropriate. Please refer to section 'Increase/decrease open repo terms' in the trade recommended practices document for more information.

REPRICE is mark-to-market price update of a collateral security and thus, doesn’t impact pre-trade or trade workflow. REPO WG's recommendation is to use the CollateralReport(35=BA) message to provide unsolicited update of a collateral security.

Trade and Post-trade recommended practices documents will include the suggested workflows for Rerate and Reprice.

**Action:** Introduce TradeContinuation(1937)=TBD (Rerate). Add TradeContinuationText(2374) to AllocationInstruction(35=J), AllocationReport(35=AS), and Confirmation(35=AK) messages.

* How do we specify the reject reason for TrdRptStatus being rejected?  
  TradeReportRejectReason is used to specify the reject reason whenTrdAckStatus is rejected

**Resolution:** RejectText(1328) can be used to specify reject reason.

**Action:** None

* Why not encourage a BIC in PartyIDSource in AllocationInstruction or AllocationReport or Confirmation?

**Resolution:** REPO WG suggests using LEI (Legal Entity Identifier) instead since it is adopted due to regulatory requirements especially for ESMA reporting in Europe. If needed, BIC can also be used.

**Action:** None

* How do we represent closing leg details in Allocation Instruction or Allocation Report? It doesn’t cater for details like Start Cash, End Cash etc., wherever applicable. Also can it be made explicit that AllocAvgPx is the repo rate for the respective allocation instance?

**Resolution:** The AllocGrossTradeAmt(2300) can be used for Starting cash consideration and

TradeAllocAmtGrp/TradeAllocAmtType(1845)=ENDV (End Value) for end cash consideration. Repo WG thinks it is implicit that AllocAvgPx, if populated, will represent repo rate. The group also recommends not populating the field to avoid confusion as the repo rate for the respective allocation instance should not be different from the trade's repo rate.

**Action:** None

* How do represent life cycle events in Confirmations? Is the proposal to represent everything as an amendment? We have certain vendors and clients, where once the trade was already matched, they treat subsequent changes in some fields as life cycle events which are distinct from the original trade confirmation process.  
  e.g. any changes in the following fields are preferred to be sent as distinct Confirmation events rather than as amendments on the original Confirmation.
  + Rate or Spread Lifecycle Event
  + Price Lifecycle Event
  + Close out Lifecycle Event
  + End Date Lifecycle Event
  + Substitution Lifecycle Event
  + Roll-over Lifecycle Event

**Resolution:**

* + Rate or Spread Lifecycle Event - TradeContinuation(1937)=TBD (Rerate); Please see the 'Rerate' workflow added to Post-trade recommended practices document.
  + Price Lifecycle Event - Assuming this is referring to the collateral mark-to-market price, this would be done through CollateralReport(35=BA) message. Please refer to the 'Reprice' workflow added to Post-trade recommended practices document.
  + Close out Lifecycle Event - The closeout event is initially notified using TradeCaptureReport(35=AE) message with TradeContinuation(1937)=31 (Early termination) and close out date in TerminationDate(2878). Please refer to 'Early termination' workflow in Post-trade recommended practices document. The same fields can be used in Confirmation(35=AK) message for this life-cycle event.
  + End Date Lifecycle Event - TradeContinuation(1937)=8 (Amend) with new End date. Repo WG recommends this to be an amendment of the original trade with revised end date.
  + Substitution Lifecycle Event - Please refer to 'Collateral substitution' workflow in the Post-trade recommended practices. Account(1) can be used to specify allocated account for which substitution has been performed.
  + Roll-over Lifecycle Event - TrdType(828)=TBD (Roll trade); Please refer to 'Repo Rollover' section in Trade recommended practices document. For workflow, 'Rerate' workflow can be used as an example.

**Action:** None