

28 February 2014

Secretariat to the Financial Stability Board
Bank for International Settlements
Centralbahnplatz 2
CH-4002 Basel
Switzerland

Re: Feasibility study on approaches to aggregate OTC derivatives trade repository data

FIX Trading Community ("FIX") (www.fixtradingcommunity.org) would like to thank the FSB for the opportunity to comment on your consultative paper focused on options for aggregating OTC derivatives trade repository data. FIX is the non-profit, industry-driven standards body at the heart of global trading and consists of over 280 member firms dedicated to addressing real business and regulatory issues impacting multi-asset trading in global markets through standardisation, delivering operational efficiency, increased transparency, and reduced costs and risks for all market participants.

FIX aims to address those business challenges impacting the trading community which can be mitigated through the use of standards. Central to these efforts is the continuous development and promotion of the FIX Protocol, the non-proprietary, free and open de-facto messaging standard used for pre-trade, trade and post-trade communication globally which the organisation owns and maintains. It is used in all asset classes including Equities, Derivatives, Foreign Exchange and Fixed Income. FIX is utilised by virtually every major stock exchange, multilateral trading facility and investment bank as well as the world's largest clearing houses, clearing firms, central clearing corporations, investment managers and money managers.

Whilst the broad spectrum of market participants represented by our members requires us to maintain a commercially impartial stance and so precludes us from commenting on the various options for aggregating OTC derivatives TR data, we wanted to emphasise the role of data standardisation as a pre-requisite for effective adoption of any of the aggregation options outlined in your consultative paper. Additionally, we wanted to take this opportunity to reinforce the importance of the support FSB can give for encouraging or mandating the adoption of already existing open industry standards. As an existing solution used by thousands of firms in the financial services industry globally, the use of an established messaging standard such as FIX assists in improving both the cost and timeframe for the implementation of initiatives such as these. Moreover FIX creates a more flexible market architecture that is better able to adapt to evolving regulatory requirements. New regulation is often costly for market participants; however, the additional financial burden can be reduced by framing new rules and regulations around the use of a widely used non-proprietary, free and open standard such as the FIX Protocol.

The FIX Trading Community is involved with the regulation of OTC Derivatives globally. As an example, FIX Trading Community previously responded to the ESMA consultation on technical regulatory requirements for the regulation of OTC Derivatives, CCPs and Trade Repositories, recommending that ESMA strive to utilize common semantics for reporting requirements to trade repositories that are similar to other jurisdictions to ensure higher levels of data quality and

reduce implementation costs. A key objective of the regulatory initiative on OTC Derivatives is to reduce counterparty risk by defining a framework, and specifying risk mitigation techniques for safe and resilient CCPs. For many years, the financial services industry has utilised the FIX Protocol for trade execution and post-trade processing, including fulfillment of clearing and reporting obligations to CCPs for listed derivatives. In addition, the FIX Protocol is being leveraged for purposes of risk mitigation as well as reporting to regulators.

In conclusion, by mandating the use of an established messaging standard such as FIX (an existing open solution used by thousands of firms in the financial services industry globally) the FSB would assist in managing the cost, timeframe and future flexibility of the implementation of the proposed initiatives.

We thank you for allowing us to submit our comments and please feel free to contact us directly with any questions.

Sincerely,



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