EUROPEAN CENTRAL BANK

EUROSYSTEM

Money Market Statistical Reporting (MMSR)

Questions and answers – version 3.7

1 Questions on the scope of reporting 4

1.1 General questions on counterparties in scope 4

1.2 Transactions with central clearing counterparties (CCPs) 5

1.3 Branches in several countries 6

1.4 Wholesale transactions 7

1.5 Further questions on the scope of reporting 7

1.6 Overview of Transactions inside/outside the scope of the MMSR 12

1.6.1 Secured Segment 12

1.6.2 Unsecured Segment 13

1.6.3 FX swaps Segment 17

1.6.4 OIS Segment 17

1.6.5 Others 18

2 Questions on transmission arrangements and transmission requirements 19

2.1 Technical questions 19

2.2 Timeliness and deadlines 19

2.3 TARGET2 closing days and local holidays 21

2.4 Questions on GetFeedbackService 21

2.5 File conventions 22

2.6 Unique Transaction Identifier (UTI) and PTI 22

2.7 Revisions 23

2.8 Renegotiations 27

2.9 Novations 28

2.10 Rejections 29

2.11 Resubmissions 29

2.12 Block trades 30

2.13 Further Questions on transmission arrangements 31

3 Questions regarding field definitions 35

3.1 Questions regarding Counterparty Identification 35

3.2 Questions on the “Creation date” field 36

3.3 Questions on the “Reference period” field 37

3.4 Questions on the “Trade Date”, “Settlement Date” and “Maturity Date” fields 37
3.5 Questions on the “Transaction nominal amount” and “Transaction deal price” fields 41
3.6 Questions on the “Deal Rate” field 42
3.7 Questions on the “Reference Rate Index” field 44
3.8 Questions on the “Basis Point Spread/FX Forward Point” field 45
3.9 Questions on the “Collateral ISIN” and “Collateral Type” fields 45
3.10 Questions on the “Instrument type” field 48
3.11 Questions regarding Calls and Puts 49
4 Questions regarding the MMSR segments 50
4.1 Secured market segment 50
4.1.1 Questions on the secured segment 50
4.1.2 How to report... – Secured Segment 57
4.2 Unsecured market segment 58
4.2.1 Questions on the unsecured segment 58
4.2.2 How to report… - Unsecured Segment 63
4.3 FX swaps market segment 64
4.3.1 Questions on the FX swaps segment 64
4.3.2 How to report… - FX swaps segment 67
4.4 Overnight index swaps segment 68
4.4.1 Questions on the overnight index swaps segment 68
4.4.2 How to report… Overnight index swaps segment 72

Relevant MMSR information and documentation is available on the ECB’s website:
https://www.ecb.europa.eu/stats/money/mmss/html/index.en.html

Version	Date	Description
3.7	15.07.2026	To clarify the rules for the reporting of specific instruments in all market segments, in particular the OIS segment. To clarify a number of questions on various topics, e.g. the reporting of collateral haircuts and the deal rate of unsecured debt instruments. Version 3.7 applies from 1 July 2027. If a reporting agent is ready to apply the new version before 1 July 2027, (i) it may implement the changes in reporting submissions before that date, and (ii) it should notify this in advance to its respective NCB/ECB to enable proper monitoring.
3.6	15.08.2023	To re-structure the questions by topic, removing duplicated information and aligning to the amendments introduced with the MMSR Reporting Instructions version 3.6, i.e. to clarify the rules for the reporting of novations, the UTI, the definition of wholesale transactions, and to simplify the reporting of specific instruments on the secured market segment. Version 3.6 applies as from 1 July 2024.
3.5	20.12.2021	To clarify the rules on the reporting of the UTI. Version 3.5 applies as of 1 April 2022.
3.4	15.06.2021	To clarify the rules for the reporting of specific instruments on the secured market and the reporting of life-cycle events for transactions with open maturity and evergreens. To clarify a number of specific questions on different topics. Version 3.4 applies as of 1 December 2021.
3.3	27.11.2020	To align with the amending MMSR Regulation ECB/2020/58, which requires the reporting of data for branches located in the UK and to align with the MMSR Reporting Instructions version 3.3 by providing further details on the reporting of benchmark transition events. Version 3.3 applies as of 1 January 2021.
3.2	15.11.2019	To align with the amending MMSR Regulation ECB/2019/29. To include small updates on a number of Q&A entries. Version 3.2 applies as of 1 January 2020.
3.1	11.12.2018	To align with the amended MMSR Regulation ECB/2018/33. Version 3.1 applies as of 15 March 2019.

1 Questions on the scope of reporting

1.1 General questions on counterparties in scope

1. Are trades conducted with counterparties classified as S126, S127 and S12 within the scope of the reporting?

   A clarification is needed for trades with counterparties such as Renault Finance (Swiss legal head office and belonging to S12).

   Eurosystem reply: Trades with counterparties classified under any sub-sector of S12 (Financial corporations) should be reported. This includes transactions conducted with counterparties identified as S126 (Financial auxiliaries) or S127 (Captive financial institutions and money lenders). In the particular example, if Renault Finance falls under an S12 classification, and you conduct an MMSR-eligible trade with it, you should report the deal accordingly.

2. Are the following counterparties defined as "general government" as referred to in Article 1(7) of EU Regulation No 1333/2014?

   - municipality
   - administrative district
   - county

   Eurosystem reply: The definition of "general government" includes ministerial departments, agencies, boards, commissions, judicial authorities and legislative bodies that are part of the core central government unit. The separate ministries within it are not recognised as separate institutional units as they do not have the authority to own assets, incur liabilities, or engage in transactions in their own right. Please refer to page 424 of the European System of Accounts.

3. 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.

3b. **NEW:** Should the reporting to MMSR include transactions with both domestic and non-resident counterparties, even though the ESA 2010 institutional sector classification (e.g. S11, S12, S13, etc.) is typically applied only to resident institutional units?

   Eurosystem reply: The scope of reporting includes all transactions relating to money market instruments booked in their Union and EFTA-located branches as well as their UK-based branches, with no restriction by counterparty residency. In this respect, transactions with counterparty sectors S11, S12 and S13 (under the ESA 2010 classification) and the corresponding subsectors fall within the scope of MMSR, with no restriction by counterparty residency. Counterparties that would be classified under S2 under ESA 2010 and the corresponding subsectors are considered to fall under the corresponding

economic sectors under S1 for MMSR purposes. For example, government in other countries is considered to fall under S13 and not S211 or S22.

1.2 Transactions with central clearing counterparties (CCPs)

4. In Section 3.3 of the Reporting Instructions there is a statement on the use of the Legal Entity Identifier (LEI) code to identify a counterparty which clearly states that transactions with a CCP are reportable (as expected). Which SNA code should be used to identify the CCPs?

   Eurosystem reply: Regarding the reporting of CCPs, when a transaction has been conducted via a CCP, the LEI of the CCP should always be specified as the counterparty. In this respect, the reporting should not include an SNA2008/ESA2010 code when reporting a deal with a CCP. Therefore, in the code lists in Annex I of the Reporting Instructions there is not a specific code which needs to be used to identify a CCP as a counterparty.

5. 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 CCP, the CCP is to be reported as the counterparty.

6. Regarding transactions cleared through a CCP, some are cleared very shortly (a few seconds) after the initial deal. The result is that the reporting agent does not always know the name of the counterparty or all the components of the initial deal. Further, the transaction is not booked on the reporting agent's balance sheet.

   Reporting agents would face problems when reporting such transactions.

   Eurosystem reply: Regarding trades conducted with/via CCPs, please note that, if the clearing takes place on the same day, there are two situations which need to be distinguished in the reporting:

   1) The Reporting Instructions specify that if a transaction with an MMSR-eligible counterparty is conducted via a CCP, the reporting agent should report only one trade – the one with the CCP (classifying the counterparty of the transaction as conducted with a CCP, which is identified by its LEI code).

   2) The Q&A specifies that, if a transaction is conducted with a CCP but on behalf of a client, the reporting agent should report both trades – i.e. the one in which it has traded with its client as well as the one in which it has traded with the CCP since due to the nature of central clearing the clearing member acts as a principal in two distinct trades.

7. **Updated:** Derivatives client clearing: some reporting agents clear overnight index swap (OIS) transactions to CCPs bilaterally and on behalf of clients. When this is done on behalf of clients to CCPs (as principal), does this require both legs of the transaction (client to us and us to CCP) to be reported?

Eurosystem reply: Transactions in which the reporting agent acts as a principal and that meet the definitions in Regulation ECB/2014/48 need to be reported. Cleared transactions, including client clearing, must be included in the reporting, since due to the nature of central clearing the clearing member acts as a principal in the two distinct transactions, i.e. the transaction with the CCP and the transaction with the client. Both the transaction with the CCP and the transaction with the client have to be reported.

If client clearing takes place under an agency-trustee model, reporting to MMSR will take place as if clearing had taken place with the clearing member facing both the CCP and the client as a principal. That is:

a) if acting as clearing member, the MMSR reporting agent will report the same pair of back-to-back transactions that would result from principal clearing;

b) if acting as a client, the MMSR reporting agent will report an OIS transaction with the clearing member (symmetric to that existing between the clearing member and the CCP).

8. The CCPs report transactions for EMIR/DFA on behalf of the counterparties. Is it also possible for MMSR?

Eurosystem reply: No, this is not possible for MMSR. Transactions must be reported by the reporting agent.

1.3 Branches in several countries

9. Several separate legal entities within the European Free Trade Association (EFTA) could lead to the requirement to report to multiple national central banks (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?

Eurosystem reply: A reporting agent may need to report to several NCBs and the ECB for different legal entities. But the format and fields are 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.

10. If a reporting agent operates branches in two different countries, is it possible to upload additional files (relating to these branches) when they become available and after the first submission, but always during the defined time window?

Eurosystem reply: The transmission of multiple files per segment per day per reporting agent is possible where this is agreed with the respective NCB or ECB to which the data are submitted. The reporting agents need to provide one file per segment per day (i.e. four files for each TARGET2 business day representing the four money market segments) for all their operations, including those performed by their branches (located in the EU and

EFTA as well as for their branches located in the United Kingdom). This rule implies that the reporting agent would need to compile, in a single file, all transactions conducted on a given trade date and in a given segment, including trades conducted by the branches.

11. Can you please confirm that all transactions under the GMRA (buy and sell-backs) are included under repurchase transactions? Can you please confirm whether transactions under the Global Master Securities Lending Agreement (GMSLA) are outside the scope? It is not clear whether securities lending are included.

Eurosystem reply: Buy and sell-back transactions are included in the scope of the reporting. Under the GMSLA and similar master agreements, only securities lending transactions that are economically equivalent to a repurchase agreement in the sense detailed in the reporting instructions are reportable under MMSR.

12. How should cash settled GMRA Collateral Margin exchanges be reported?

Eurosystem reply: Margin call including cash margins are not reported.

1.4 Wholesale transactions

13. Regarding NFCs classified as “wholesale” according to the Basel III liquidity coverage ratio (LCR) framework: is it correct that all deposits of the relevant NFC are considered for the amount of EUR 1 million, including, in particular, current accounts?

Eurosystem reply: The calculation of aggregate funding and classification of an entity as a wholesale 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.

1.5 Further questions on the scope of reporting

13b. **NEW:** In general, transactions with central banks which are related to monetary policy operations or standing facilities should not be reported to MMSR. Which transactions with the Eurosystem are reportable and which types of monetary policy operations with the Eurosystem need not be reported?

Eurosystem reply: In general, transactions with central banks which are related to monetary policy operations or standing facilities should not be reported. Only two types of operations with a central bank of the Eurosystem are reportable as they are not considered monetary policy operations:

• Operations that the central bank conducts with the reporter for investment purposes (these are normally conducted at the initiative of the central bank, to cover its need for ordinary commercial banking services, e.g. when managing its investment portfolio).

• Borrowing of securities from the central bank against cash collateral or using a pair of matched repos and reverse repos for the same purpose.

ESCB monetary policy operations are conducted using a set of different instruments. Further information is provided in Table 1 ('Overview of characteristics of the Eurosystem monetary policy operations') of Guideline ECB/2014/60. Transactions with central banks which are related to ESCB monetary policy operations should not be reported.

14. If the main activity of a reporting agent with respect to the repo market is on an agency rather than a principal basis, the assumption would be that only principal transactions should be reported. Could you please provide clarification in this respect?

Eurosystem reply: Transactions in which the reporting agent acts as a principal and that meet the definitions in Regulation ECB/2014/48 need to be reported. Cleared transactions, including client clearing, must be included in the reporting, since due to the nature of central clearing the clearing member acts as a principal in in the two distinct transactions, i.e. the transaction with the CCP and the transaction with the client. Both the transaction with the CCP and the transaction with the client have to be reported.

15. Are public sector purchase programme (PSPP) securities lending transactions that are conducted as repo and reverse repo (with the aim of cash neutrality), or as a single reverse repo against cash, reportable under the MMSR framework?

Eurosystem reply: When structured as a cash-neutral pair of matched repo and reverse repo transactions, both the repo and the reverse repo need to be reported with the flag MRRP. When structured as a single reverse repo, the reverse repo must be reported, but the MRRP flag is not required as the operation is not cash neutral.

16. **Updated:** Are collateral swaps constructed via matching repos and reverse repos to be reported?

Eurosystem reply: Yes, these transactions are to be reported. If structured as a cash-neutral or close to cash neutral pair of matched repo and reverse repo transactions with the same counterparty, both the repo and the reverse repo need to be reported with the flag MRRP. In case a more complex structure is used to achieve the cash neutrality (e.g., one repo against two reverse repos) all the individual repo/reverse repo transactions used in the deal must be reported with the flag MRRP.

17. Transactions in sector S124 (Non-MMF investment funds) are the reason for a significant part of late reporting of NEWT and AMND records. The late NEWT and AMND records are a result of decreases in the nominal amount of the original transaction. When a client wishes to decrease the outstanding nominal amount of a fund, this decrease is allowed even though it is not foreseen to take place on the basis of the transaction terms. Based on the ECB definitions of "renegotiations" and "life cycle events", it would seem that such a decrease has to be considered a "renegotiation". The decrease will result in an AMND and

a NEWT record (both “late”) because of the way the decrease is booked in the booking system. To book a decrease in the nominal amount of the original transaction:

1.The nominal amount of the original transaction will be amended to reflect the new (lower) nominal amount for the entire life-cycle of the original transaction (original nominal amount minus decrease amount).

2.The amount corresponding to the decrease itself will be booked in a new transaction with:

a. a new interest rate;

b. a transaction date equal to the original transaction date; and

c. a maturity date equal to the date of the original transaction.

Can you please confirm that, in the case of such a decrease, it is acceptable to report two “late” records, because they are representing the reality of the decrease?

Eurosystem reply: If the interest rate or maturity of a fixed-term transaction changes, the transactions resulting from these renegotiations must be transmitted as new transactions with the newly agreed transaction terms and a new Proprietary Transaction Identifier (PTI). It is understood that, in the case of the decreases described in the question, there is also a change of the interest rate of the respective transactions. Therefore, these transactions should be reported as renegotiations, meaning as NEWT with the new transaction nominal amount, the new interest rate, the new Trade Date equal to the time of the new agreement and the Maturity Date of the original transaction (if it was not changed). In this case, no amendment should be sent for the original transaction.

18. Could you please specify whether transactions with sole proprietors (self-employed persons) should be reported under MMSR?

Eurosystem reply: Transactions with sole proprietors should not be reported.

19. **Updated:** Is there a minimum transaction size threshold for the reporting?

Eurosystem reply: Transactions with a transaction nominal amount below EUR 500,000 are not to be reported (i.e., transactions of EUR 499,999.99 or of lower transaction nominal amount are not to be reported in any case, while transactions of EUR 500,000.00 or higher transaction nominal amount have to be reported if they comply with the reporting requirements in the MMSR Regulation and MMSR Reporting instructions). This threshold applies to all transactions of all money market segments and regardless of the counterparty’s sector.

19b. **NEW:** Could you confirm our understanding regarding the application of the materiality threshold for transactions reported on a rolling basis? We believe that the materiality threshold should be applied per day. This means that if a transaction nominal amount (TNA) on one day is below EUR 500,000, the corresponding rollover is not to be reported. If the TNA rises above EUR 500,000 a few days later, the reporting of the rollovers should continue. This might result in missing some rollovers of an open repo/call account in our reported data.

Eurosystem reply: We confirm your understanding regarding the application of the reporting threshold of EUR 500,000. The rule is strict and does not depend on any conditions. Rollovers should only be reported when the Transaction Nominal Amount of the rollover is at least EUR 500,000. No rollover should be reported when the Transaction Nominal Amount is below EUR 500,000. This means that for open repo/call accounts with a Transaction Nominal Amount around the threshold value, subsequent rollovers might be within and outside of the reporting scope.

20. 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.

21. Regarding the "intra-group transaction" definition, are transactions concluded with an undertaking which is consolidated at equity under IFRS "intra-group"?

Eurosystem reply: MMSR-eligible transactions between a reporting agent and another undertaking that is consolidated at equity with the reporting agent are "intra-group" as defined in Article 1(19) of the MMSR Regulation. Such transactions are therefore exempt from the reporting.

22. In Section 2.1.3 of the Reporting Instructions, the following explanation is provided regarding the scope of the transactions which need to be reported for 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* as well as for their branches located in the United Kingdom*) 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 the 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.

23. 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 does not need to report transactions prior to the reporting start date of the reporting agent and there is no need to backload transactions for the time before the start date.

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

Eurosystem reply: The Eurosystem expects all reporting agents to report all (and only) in-scope transactions. The data quality checks carried out on the transmitted files will reject transactions falling 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.

1.6 Overview of Transactions inside/outside the scope of the MMSR

1.6.1 Secured Segment

No.	Transaction or instrument	Inside the MMSR	Additional information
1	Compression trades transactions (the original transactions were already reported)	No	Compression trades should not be reported since they are not new transactions with "fresh money", but rather grouping and replacing more than one already existing transaction. Example: PTI 1: A - B: EUR 10 Mio PTI 2: B - A: EUR 8 Mio PTI 1 and 2 have to be reported. The compression trade (compressing PTI 1 and 2 to a new transaction of EUR 2 million) is not to be reported and PTI 1 and 2 should not be amended or cancelled because of the compression event.
2	Repo transactions collateralised by commodities	Yes	
3	(Reverse) repos for clients that are not interbank clients (i.e. between the reporting agent and financial corporations, general government or NFCs classified as “wholesale” under the Basel III LCR framework)	Yes	Transactions with central banks where the transaction is related to monetary policy operations should not be reported (Table 1.6.1, line 4).
4	(Reverse) repos with central banks where the transaction is related to Eurosystem monetary policy operations and standing facilities)	No	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 criteria. Standard repos and reverse repos conducted as cash management operations between the reporting agent and the respective Eurosystem NCB or as investment operations (for whatever purpose) must be reported, as these are not policy operations. However, the borrowing of securities purchased by the Eurosystem as part of its asset purchase programmes is reportable as detailed in Q&A number 15.
5	Transactions relating to forfeiting (i.e. corporate lending secured by trade receivables) and payments between banks related to forfeiting	No	
6	Evergreen term products (open evergreens)	Yes	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. The first date on which the termination can occur must be reported as Maturity Date. Please also refer to the Reporting Instructions regarding the specific instructions for the reporting of evergreens
NEW 7	Option for entering into a repo	No	An agreement that provides only for an option to enter into a repo, but which does not constitute a repo itself until the option is exercised, is not reportable. Any repurchase agreement entered into as a result of the exercise of the option must be

			reported in line with the general rules for the reporting of repurchase transactions.
NEW 8	Intra-day repos, i.e. repurchase transactions which are opened and closed on the same day	No	
NEW 9	Repo transactions collateralised by pledges	Yes	According to Article 1.22 of the MMSR Regulation, a 'repurchase agreement' can also mean an agreement to pledge assets and give a general right of reuse in exchange for the loan of cash on a near date and repayment of the loan and interest on a far date in exchange for the return of the assets.
NEW 10	Securities lending and borrowing transactions (SLBs) referred to as 'cash pool' transactions	No	According to Section 3.3 of the MMSR Reporting Instructions, only certain securities lending transactions - those that function like cash-driven repos - are reportable. These are known as 'reverse stock loans' or 'reverse securities loans'. Cash-pool transactions, in contrast, are not reportable. Unlike reverse stock loans, cash pool transactions allocate collateral cash amounts that vary frequently with the market value of the borrowed securities via margining. In addition, explicit fees are normally charged for the rental value of the borrowed securities. Both features reflect their predominantly securities-driven nature.

1.6.2 Unsecured Segment

No.	Transaction or instrument	Inside the MMSR	Additional information
1	Borrower's note loans (Schuldscheine), if the underwriter is a retail investor	No	
2	Borrower's note loans (Schuldscheine), if the underwriter is not a retail investor	Yes	
3	Call accounts – specifically cash accounts without any maturity and without any obligation or period to notify a money withdrawal	No	
4	Cash management transactions (borrowing or lending) referring to internal operations on behalf of clients	No	
5	Collateral cash accounts	No	
6	Convertible bonds (original maturity of not more than 397 days, issued by the reporting agent or bought from another credit institution)	Yes	
7	Covered bonds (Pfandbriefe) with a maturity of less than 397 days and issued in primary markets	Yes	
8	Deposits where, for example, the interest rate or the nominal amount repaid at the maturity date depend on how a certain exchange rate develops (structured products)	No	
9	Deposits which are further securitised (in a second step)	No	If a deposit is securitised in a second step, such securitisation should not be reported
10	Discount certificates and reverse convertibles	No	
11	"Dual Currency Deposit" products (structured products) which correspond to a loan in a currency that offers the possibility of repaying in another currency with a predefined rate (strike rate)	No	

12	Escrow accounts	No	Escrow accounts are considered as "retail" and therefore outside the scope of MMSR. They should not be included when determining the aggregate deposits in order to define "wholesale".
13	Facilitating/holding client accounts (deposit or savings) for households	No	
14	Facilitating/holding client accounts (deposit or savings) for a non-financial corporation on the unsecured market	Yes	
15	Fixed-rate notes 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	Yes	
16	Floating Rate Note (FRN) with original maturity less than or equal to one year (up to 397 days after the settlement date)	Yes	
17	Floating Rate Note (FRN) with original maturity more than one year (more than 397 days after settlement date) but remaining maturity less than one year	No	
18	In Arrears IRS	No	
19	Insolvency administrator accounts if those are MMSR-eligible accounts, opened and treated by the reporting agent as “on behalf of someone else”, where “someone” belongs to a reportable counterparty	Yes	
20	Interbank loans	Yes	To be reported as deposits with the relevant features in accordance with the MMSR Reporting instructions
21	Investment certificates and current accounts of MFIs (debit and credit)	No	
22	Issuances of certificate/note which pays a fixed rate to the client (financed by a short put position with no guarantee of capital for the client)	Yes	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)
23	Issuances of short-term certificates or notes with equity/equity index underlying	No	
24	Money market deposits that are pawned as collateral for a different transaction (that is, outside the scope of MMSR, such as letters of credit, etc.) where the collateral is not the “main transaction”	No	
25	Nostro and Vostro balances; if the transaction takes the form of a unsecured funding via deposit, saving account or call account	Yes	
26	Nostro and Vostro balances, if the transaction is conducted as a current account or if the Nostro and Vostro accounts are with a counterparty in the same group according to the definition of ‘intra-group’ defined in the MMSR Regulation	No	
27	Purchase and sale of bonds with optionality (i.e. structured notes)	No	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.
28	Puttable or callable instruments	Yes	All MMSR-eligible unsecured transactions (as specified in Annex II, Part 1 of Regulation ECB/2015/30) which contain call and/or put options should be reported accordingly. In that respect, the only difference in comparison with the requirements of Regulation ECB/2014/48 is that these transactions would not be classified separately and explicitly as callable/puttable instruments – currently, what should be reported in such cases

			are the variables representing the existing call/put option, for any of the MMSR-eligible instruments in the unsecured money market segment
29	Rent deposits (Mietkautionskonten) held by insurance corporations	No	Considered to be not directly related to the money market, but to retail instruments
30	Re-openings of an issuance	No	
31	Repurchase of securities as part of price management	No	
32	"Rollercoaster" amortising deposit (with both notional balance increases and decreases during the life-cycle of the trade)	Yes	In the case of "rollercoaster" 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).
33	Sale of securities (primary market activity in commercial papers, certificates of deposit and other types of short-term security, with maturity less than 397 days since the settlement date)	Yes	
34	Secondary market transactions	No	
35	Securities purchased on the secondary market, issued by a credit institution with a residual maturity up to one year	No	
36	Short-term (with a maturity of up to 397 days after the settlement date) fixed deposits with insurance companies and/or pension funds	Yes	
37	Short-term securities issuance (with a maturity of up to 397 days after the settlement date) by the reporting agents as well as underwriting from reporting agents of short-term securities issues by other credit institutions	Yes	
38	Savings accounts (Kapitalsparbücher) with a notice period and when such a transaction is conducted with an MMSR-eligible counterparty	Yes	In this case, saving accounts are considered as call accounts/call money and should be reported daily; this also refers to saving accounts of NFCs classified as "wholesale" according to the Basel III LCR framework
39	Sight and savings accounts with a notice period if the account is a natural person clients' account	No	Saving accounts are considered as call accounts/call money when they have a notice period, and therefore when such a transaction should be reported if conducted with an MMSR-eligible counterparty. A natural person is not an MMSR-eligible counterparty.
40	Sight and savings accounts without a notice period	No	Saving accounts are considered as call accounts/call money if they have a notice period.
41	Structured and inflation-linked bonds	No	
42	Structured deposits - deposits with simple call or put options (or with both)	Yes	
43	Structured deposits other than deposits with simple call or put options (or with both) – as e.g. deposits instrumented by a set of derivatives, or a deposit linked with a derivative (usually an option)	No	See also special cases in Table 1.6.2, lines 8 and 11.
44	Structured products, such as Credit Linked Notes, Share Certificates and CMS Floaters	Yes/No	In general, structured products are not reportable, as their characteristics do not match the definitions of eligible

			instruments as contained in the MMSR Regulation and Reporting Instructions. However, 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 OIS trade, both these operations should be reported individually under the MMSR framework.
45	Subsidised loans, such as loans provided via other credit institutions to SMEs or private households	Yes/No	Loans to non-credit institutions 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
46	T-bills	No	Only short-term securities issued by credit institutions are to be reported. T-bills used as collateral in repo and securities lending operations (to be reported with their ISIN code as part of the information reported on the collateral used for the transaction)
47	Term accounts	Yes	Term accounts are considered as term deposit and need to be reported as unsecured deposits
48	Term accounts conduced with NFCs and classified as retail (i.e. not classified as “wholesale” according to the Basel III LCR framework)	No	
49	Time deposits (also called term deposits), 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)	Yes	In addition, unsecured borrowing from NFCs classified as “wholesale” should be reported, regardless of the settlement method or channel
50	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 do not keep it on its books	No	Operations conducted on behalf of clients are outside the scope of the MMSR framework. Only transactions in which the reporting agent acts as a principal are reported.
51	Zero coupon bonds	Yes	To be reported as short-term securities
NEW 52	Demand deposit accounts redeemable without notice	No	Demand deposit accounts which are redeemable without notice are considered similar to current accounts and are therefore outside the scope of MMSR. This exclusion also applies to demand cash accounts redeemable without notice held at a custodian bank to support custodial activities. However, regular deposits must be reported if they are redeemable at notice, while the minimum notice for deposits is generally overnight.

NEW 53	Notice/term deposit accounts	Yes	Notice/term deposit accounts (e.g. open-ended deposits with a notice period, or deposits with a fixed final maturity date and a notice period) are considered similar to call accounts/call money and are reported under instrument type 'call account/ call money' (CACM).
NEW 54	Postal saving bonds (backed by a government guarantee) with a maturity of less than 397 days and issued in primary markets to an MMSR-eligible counterparty	Yes	Postal saving bonds are reported under instrument type 'other short-term debt securities'. See also Table 1.6.2, line 45 and Q&A number 156.

1.6.3 FX swaps Segment

No.	Transaction or instrument	Inside the MMSR	Additional information
1	Cross-currency Interest Rate Swaps (IRS)	No	
2	FX swaps, if one of the currencies in the pair is the euro (regardless of whether it is the base currency or not)	Yes	
3	FX swaps, if none of the currencies in the pair is the euro	No	
4	"Outright FX forward" deals	No	

1.6.4 OIS Segment

No.	Transaction or instrument	Inside the MMSR	Additional information
1	Asset swaps (also asset swaps where the interest rate of the asset is fixed and the variable interest rate is €STR)	No	For asset swaps the fixed interest rate is usually higher than for OIS transactions.
2	Cleared OIS transactions, including in the case of client clearing	Yes	Cleared transactions, including client clearing, must be included in the reporting, since due to the nature of central clearing the clearing member acts as a principal in the two distinct transactions, i.e. the transaction with the CCP and the transaction with the client. Both the transaction with the CCP and the transaction with the client are reported.
3	OIS IRS - i.e. a swap with one leg depending on the €STR, and one fixed rate leg	Yes	
4	OIS transactions by a clearing broker classified as contingent liabilities	Yes/No	The OIS transactions classified as contingent liabilities are reported if they have been actually transacted and if the clearing broker consider itself as a principal.
5	Swaptions (OIS including a put/call option)	No	The Swaption is considered an option instrument, which gives the right to enter into an OIS contract (as opposed to an instrument with an embedded option). An OIS contract which has an embedded option (e.g. for early termination of the contract) is different from a Swaption. Therefore, as options are outside the scope of MMSR, Swaptions should **not be** reported. However, it needs to be emphasised that if a reporting agent enters into an OIS as a result of the exercise of a Swaption, then the reporting agent has to report the respective OIS transaction.

6	Variable notional swaps, i.e., an Interest rate swap (IRS) with variable notional principal	Yes	I.e. 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. This swap should only be reported when it is a swap with one leg depending on the €STR and one fixed leg. The notional to be reported initially is the notional 100. Further changes to the notional are life-cycle events because they are predefined and therefore should not be reported
7	Compression trades transactions	No	See also Table 1.6.1, no. 1
NEW 8	OIS transactions with a maturity of more than one year (e.g. 20 years) and forward starting OIS transactions with a Start Date more than one year (e.g. 10 years) in the future	Yes	All euro-denominated OIS transactions of any maturity must be reported. This also includes OIS transactions with a forward Start Date more than one year in the future. It is the maturity of the underlying floating rate (€STR) that qualifies an OIS as a money market instrument, regardless of its final maturity.

1.6.5 Others

No.	Transaction or instrument	Inside the MMSR	Additional information
1	Eligible transactions/deposit facilities where the counterparty is an NCB/ECB, if the transaction does not result from ECB tender operations or from standing facilities	Yes	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 criteria. Standard repos and reverse repos conducted as cash management operations between the reporting agent and the respective Eurosystem NCB or as investment operations (for whatever purpose) must be reported, as these are not policy operations. However, the borrowing of securities purchased by the Eurosystem as part of its asset purchase programmes is reportable as detailed in Q&A number 15.
2	Transaction where the counterparty is an NCB/ECB, if the transaction results from ECB tender operations or from standing facilities	No	
3	Long-Term Refinancing Operations (LTRO) facing the NCB	No	
4	Main Refinancing Operations (MRO) facing the NCB	No	

2 Questions on transmission arrangements and transmission requirements

2.1 Technical questions

25. What are the ECB's expectations regarding MMSR messages if technical issues occur? Does the ECB still expect one XML file per segment to be delivered by the end of the day, even if the reporting agent is not able (due to technical issues) to report the reportable deals (in this case only a NOTX file could be sent).

Eurosystem reply: The regular MMSR should include one file per segment for each TARGET2 business day comprising all MMSR-eligible transactions conducted on the respective day T; the file should be transmitted by 07:00 on T+1. However, if due to technical reasons a reporting agent is not able to transmit the file within the deadline, the reporting agent should do so as soon as possible afterwards, preferably on the same day as the usual submission, or on the following business day at the latest (together with the regular reporting for that day).

Reporting agents must inform the ECB or the relevant NCB if not reporting within the required timeframe due to technical issues. A "NOTX" code should be transmitted ONLY if you have not conducted an MMSR-eligible transaction on the respective day T.

26. 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 two years. You should use a production certificate for the pre-production environment.

27. 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 to 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: Maintenance periods are always during weekends and should not result in the submission platform services being unavailable during data transmission times. In the unlikely case that the services are unavailable, it is possible to resubmit all data in one file

2.2 Timeliness and deadlines

28. 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 07:00 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 18:00 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 07:00 CET on T+1 there is sufficient time to capture any transactions concluded after 18:00 CET on day T. To reduce the reporting burden, it is also possible to transmit the data at 18:00 CET on day T where all of the transactions are concluded before 18:00 CET. Furthermore, revisions can be transmitted together with the new daily transactions that are sent to the relevant NCB or the ECB or in a separate file where this is agreed with the respective NCB or the ECB.

29. The deadline at 07:00 T+1 would likely pose processing problems given that there are dependencies on CCP data which are only available post close of business on T.

Eurosystem reply: In the case of triparty operations using pre-set pools of collateral, the detailed allocated collateral information is not needed as, for these trades, only the International Securities Identification Number (ISIN) of the pool is requested.

30. If a reporting agent conducts business in different EU time zones, it can happen that trades are booked after 18:00 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 18:00 CET on T and 07:00 CET on T+1. Only transactions undertaken/booked by Union and EFTA-located branches as well as by branches located in the United Kingdom have to be reported. Hence, in the case of transactions concluded after 18:00 CET within the EU time zones, a transmission should still take place by 07:00 CET on T+1.

31. If reporting agents report directly to the ECB the cut-off time is 07:00 CET, while if they report via an NCB data should be available to the ECB at 07:00 CET. Does this mean that the deadline for data transmission will be earlier if the data are sent to an NCB?

Eurosystem reply: Where an 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.

32. What is the deadline for reporting agents for responding to questions from the ECB or the relevant NCB requesting them to confirm the accuracy of the statistical information or to answer any query regarding its accuracy?

Eurosystem reply: Reporting agents are required to respond promptly, and by no later than 7:45 CET to any such question received from the ECB or the relevant NCB before that time on any TARGET2 business day. For questions received by the reporting agent after 8:00 CET, reporting agents have to respond by 15:00 CET on the same day.

33. Would it be possible for 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.

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

2.3 TARGET2 closing days and local holidays

34. Which days are TARGET2 closing days?

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

35. What happens in the case of a local holiday? When should we report the relevant data?

Eurosystem reply: Reporting agents are required to report for each TARGET2 business day – between 18:00 on that day and 07:00 on the following TARGET2 business day, also on local holidays. As the MMSR Transactional Module is available on a 24/7 basis (apart from maintenance periods), reporting agents are able to use it at any time.

2.4 Questions on GetFeedbackService

36. The documentation mentions that we can call the GetFeedbackService, for example ten minutes after submitting a file. How long does it take until the status message is ready?

Eurosystem reply: The ten-minute time interval is the maximum. For instance, for a file containing 100 transactions, the status message is available within a few seconds. For a file with 1,000 transactions, the status message is available within a few minutes.

37. 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 should be able to recover this information (DeliveryID) manually through the WebUI of the MMSR Transactional Module (U2A channel). It should also be able to download the status message manually 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.

2.5 File conventions

38. The MMSR Reporting Instructions specify that the data for each segment should 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.

39. Is there a size limit or a recommended limit on the number of messages (e.g. 100 transactions per XML file), or can we insert thousands of transactions into a single file if needed?

Eurosystem reply: We recommend a maximum of 20,000 transactions per file in order to ensure a suitable processing time.

40. 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 the file name should not contain any other elements or extensions, such as .xml or .xsd.

41. 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.012.001.02”;
- unsecured segment is identified with “auth.013.001.02”;
- FX swaps segment is identified with “auth.014.001.02”;
- OIS segment is identified with “auth.015.001.02”.

2.6 Unique Transaction Identifier (UTI) and PTI

42. Using a UTI could avoid double-counting for derivatives.

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 UTI field is to be reported if available at the time that the reporting agents submit their MMSR data. The Eurosystem understands that the UTI is currently

operational and broadly used by the market in the secured, FX swaps and OIS market segments.

43. **Updated:** Could you please clarify how a reporting agent should report if it has not been able to exchange a UTI; the only option in such a case would be to report using its own transaction identifier.

Eurosystem reply: If the UTI is not available, the transaction should still be reported without it. Reporting 'temporary' UTIs is not recommended. In the event that a UTI is changed following its initial reporting (e.g. where the 'temporary' UTI initially reported is later replaced by a final UTI), an amendment of the UTI initially reported must be reported.

44. UTI registry – counterparties exchange is not executed on trade date, so problems will occur when including such a field on the next day, unless a provisional UTI record is set.

Eurosystem reply: The UTI should be reported if available at the time that the reporting agents submit their MMSR data. Otherwise, it is encouraged to report the UTI at a later date via an amendment.

45. 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 and UTI value?

Eurosystem reply: The reporting agent should provide the full UTI without excluding any part of the it, i.e. the combination of the UTI prefix and the UTI value.

46. On some occasions we have only the UTI for the far leg available in our systems. Should we report this UTI, which is against the requirement of reporting only the near leg, or should we not report anything?

Eurosystem reply: According to the requirements of ESMA for reporting derivatives under EMIR (see ESMA Q&A on EMIR implementation, TR Question 49), an FX Swap should be reported with only one UTI, and this UTI should also be reported for MMSR. In case the two legs of the operation have specific different UTIs, the UTI of the far leg should be reported.

47. Is it correct that the PTI must always be reported?

Eurosystem reply: This is correct, the PTI is a mandatory field for MMSR which is to be reported in all cases, regardless of whether or not a UTI is reported.

2.7 Revisions

48. Could you please define the reporting criteria for events on deals already reported, for example decreases, amortisations, 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.

49. 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 of less than one year which are then renegotiated with maturity more of 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 "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): these 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 (further information on life-cycle events is provided in the MMSR Reporting Instructions). In case an event (e.g. collateral substitution) was not foreseen by the terms of the initial contract and therefore leads to the closing of the existing trade and the conclusion of a new trade which is within MMSR scope, this new trade has to be reported with status NEWT.

(e) If a reporting agent identifies a need to amend a trade after having received a correction request from the ECB or the NCB, the corrected transaction should be reported with status "correction", and not as "amendment" (see the cases below). 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 18:00 on the trading date and 07:00 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. 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.

50. What would be the best way forward when transmitting transactions with AMND status following the rejection of a NEWT in a partially rejected file?

If a NEWT has been rejected by the ECB on day 1 and it is then reprocessed on the next day as AMND, is it correct that the ECB would reject the transaction since only CORR and CANC would be expected? In addition, it seems that, in the event of a rejected NEWT and where an AMND is processed on the same day, the ECB would expect a CORR transaction to be sent rather than an AMND.

It was noted during the testing, however, that in both cases the AMND was accepted. Can you please confirm the expected treatment for these scenarios and confirm whether it is an issue to:

1. Send an AMND following a rejected NEWT
2. Send an AMND instead of a CORR following a rejected NEWT

Eurosystem reply: Using the AMND and CORR statuses depends on whether the reporting agent has been asked to correct the transaction due to a rejection or via email or any other means (in this case CORR should be used), or whether the reporting agent identifies itself an error in a previously reported transaction (in this case AMND should be used).

While both statuses (AMND and CORR) can be used in the case of accepted and rejected transactions, in the typical case reporting agents should send a CORR to correct rejected transactions and an AMND to amend accepted transactions for which the reporting agent identifies an erroneous value.

51. How should the reporting agent manage a “warning” which has been reviewed from the reporting agent’s side and does not require any correction?

Eurosystem reply: When a “warning” has been reviewed and does not require any correction, no further follow-up is needed.

52. In the case of a trade revision (CORR, AMND or CANC), is it expected that the updated record will be received in the following day’s segment file for that particular product? For example, if there is a trade revision on an OIS swap, does this need to be loaded on the following day’s OIS segment file or can it be uploaded in a separate trade revision file?

Eurosystem reply: Please note that revisions can be submitted in a separate file on the same day or in the following day’s file (together with the new transactions). The option to submit the revisions must be agreed with the relevant NCB.

53. Is it correct that cancellations of original transactions should not be reported for renegotiations? However, if a reporting agent still submits a cancellation in such a scenario, will the ECB reject the transaction, or will it ignore the submitted cancellation?

Eurosystem reply: The renegotiations have to be reported with a new PTI without cancelling the previous trade. If the reporting agent submits a cancellation in any case it will be processed accordingly, regardless of the reported renegotiation.

54. **Updated:** Regarding early terminations before the maturity date, could you please clarify what should be reported in the 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 are the following three main cases:

- Open term instruments, including open repos, call accounts and certain savings accounts: partial terminations are reported by decreasing the transactional nominal amount reported daily with respect to the transaction. Full terminations are reported by ceasing the daily reporting of the transaction altogether.

- Fixed-term transactions with early termination options: same as open instruments above.

- Other instruments with a fixed maturity: they are only reported at inception. No reporting applies for early full or partial termination, irrespective of the reason (mutual agreement or other).

Partial or full cancellations or terminations must be reported as an amendment or cancellation if they are made because of a reporting mistake.

55. Could you please clarify what should be reported in the 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 PTI/UTI.

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

Eurosystem reply: Re-openings of existing securities issuances are currently outside the scope of the MMSR framework.

57. 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.

58. 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 (non-financial corporations *not* classified as 'wholesale'). What should be reported in this case?

Eurosystem reply: The reporting agent should report a cancellation.

59. 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.

60. As stated in the Reporting Instructions, in the case of revisions the following variables need to be provided:

- REPORTED TRANSACTION STATUS: this variable always needs to be provided.
- PTI: this variable always needs to be provided.

Furthermore, in the case of corrections and amendments all the variables have to be provided, even if they are unchanged. This also applies to cancellations. But this could be a problem when a transaction is reported with invalid information, e.g. the nominal transaction value is reported with seven instead of five decimals. When the reporting agent tries to send the cancellation for this trade, in order to send the original values later, the cancellation will also be rejected because the nominal transaction value will be reported with seven instead of five decimals. How can the reporting agent get that trade out of the system?

Eurosystem reply: In this example, if the nominal transaction value is changed to five decimals with status CANC, the cancellation will be processed accordingly. Most of the data quality checks are not applied to cancellations.

2.8 Renegotiations

61. How should benchmark transition events be reported?

Eurosystem reply: The MMSR Regulation requires reporting agents to report in respect of "agreements and transactions entered into¨. The MMSR Reporting Instructions (Section 2.2.5) clarify that "when the terms of transactions are renegotiated at any time after the initial trade or changed following an **agreement between the parties**, e.g. where there are changes in the interest rate or maturity, the transactions resulting from these renegotiations will be transmitted as new transactions with the newly agreed transaction terms and a new PTI". Section 2.2.6 clarifies that life cycle events are not to be reported.

According to the rule above, if parties decide to agree on a new rate as part of their transition away from the original benchmark and ahead of the effective benchmark discontinuation, i.e. the interest rate clause in the contract for the reported transaction is changed by agreement of the parties, as a result of such 'renegotiation' the underlying transaction should be reported as a new transaction.

This, however, does not cover the following events which **should not be reported** (please also refer to the list of life-cycle events in Section 2.2.6 of the MMSR Reporting Instructions):

(1) A change in a contract just to incorporate a fallback provision in the contract (so-called re-papering), as there is no immediate change in the applicable rate to the transaction at the time of renegotiation.

(2) Cases in which the fallback event materialises during the maturity of the transaction, as the fallback event becomes a lifecycle event which is outside the control of the parties.

(3) A benchmark rate (i) imposed by law on the parties' instrument or contract (a 'statutory rate') or (ii) result of forced/organised transition at CCPs, as such cases are not considered as "renegotiated" terms of the contract.

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

- 14 November: Initially agreed nominal amount of EUR 5 million
- 25 November: An increase of EUR 3 million for 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" (as specified in the MMSR Reporting Instructions). Therefore, the new amount of EUR 8 million should be reported on 25 November as a new trade with a new PTI.

63. **Updated:** Could you please clarify what should be reported in the 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, unless the updated terms are applied with retroactive effect, in which case they should be transmitted as an amendment of the previously transmitted records. An example of a retroactive update of the terms of a transaction is the repricing of an open evergreen repo that is applied to a period preceding the agreement on the repricing.

2.9 Novations

64. 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.

65. 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 are multiple data quality checks, this could lead to questions/enquiries from the Eurosystem to the reporting agent.

2.10 Rejections

66. If we deliver an XML file with 1,000 transactions, and 30 of them are rejected due to data errors, what should we do?

a) Can we deliver a new file containing only those 30 corrected transactions during the same day?

b) Or is it better to send the 30 corrected transactions with the next delivery the following morning?

Eurosystem reply: Both options are possible if the transmission of multiple files per day is agreed with the respective NCB. If only one file per day can be sent, option (b) would be correct.

67. In the case of a full file rejection, are the results stored in your system? Our assumption is that they are not due to the fact that we are required to report transactions with the original status. The background to this question is that we see a potential issue with duplicate transactions. Please confirm.

Eurosystem reply: When a whole file is rejected, the information it contains and the results of the associated feedback (i.e. the data quality checks contained in the status message) are not kept. Therefore, reporting agents are asked to resubmit the file with the original status of the transactions it contains (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.).

68. In the case of a transaction which is rejected within a partly rejected file (file status: PART), we note that the next transaction should be reported as CORR. If, for example, the transaction is cancelled in between receiving the rejected transaction status and the next day's reporting deadline, would the transaction be accepted if a CANC is sent for the transaction rather than a CORR? This approach would be more in line with the reality of the transaction status. Please confirm the correct approach.

Eurosystem reply: This assumption is correct – in such a case the transaction should be reported as CANC instead of CORR.

2.11 Resubmissions

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

Eurosystem reply: The corrected file should be submitted as soon as possible, and if possible, on the same day. The late transmission (i.e. after the applicable deadlines) of a report or of individual transactions can result in a non-compliance procedure and a possible sanction.

70. In the event that 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 in 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 for one of the market segments no file is submitted by the applicable deadline, a reminder is sent to the RA. The missing data must be submitted as soon as possible. The missing data can be transmitted, at the latest, together with the new daily transactions that are sent to the relevant NCB or the ECB or in a separate file where this is agreed with the respective NCB or the ECB. The late transmission (i.e. after the applicable deadlines) of a report or of individual transactions can result in a non-compliance procedure and a possible sanction.

71. 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 07:00 delivery deadline?

Eurosystem reply: Yes, this is possible.

There is not 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.

The late transmission (i.e. after the applicable deadlines) of a report or of individual transactions can result in a non-compliance procedure and a possible sanction.

2.12 Block trades

72. In this example, within a new issue a fund manager is buying EUR 1 million nominal of a bond in a block. After the trade has been completed the fund manager splits the block trade to their different funds (sub-accounts), e.g. EUR 600,000 for fund 1 and EUR 400,000 for fund 2. The block trade is cancelled. We suppose that, if the split is done on T, only the split trades should be reported. If the split is done on T+1, on T the block trade should be reported in order to avoid "late reporting". On T+1 the block trade would be cancelled and the split trades would be reported with NEWT. It is impossible to send a CORR or AMND on the block trade once the split is done. Therefore it would be necessary to have the split trades in the system.

Eurosystem reply: This example refers to the reporting of the selling of securities (as a block trade) to a fund manager acting on behalf of funds (i.e. actually with a counterparty belonging to Counterparty Sector S123 or S124) and not to a transaction with another MFI (i.e. with a counterparty belonging to Counterparty Sector S122). Block trades, once initially booked as a primary market trade, can remain in the system without further amendments provided that the rebooking between funds does not alter the market features of the initial trade. Please note the following example:

Block trade: on 25 April Fund Manager A buys a CD issued by Bank B in the primary market, amount: 1,000; rate: x; maturity: six months.

The split is done on the following day, i.e. within Fund A:

- Fund Leo+ in Fund A buys 600 of this CD issued by Bank B, rate: x; maturity: six months; trade date: 25 April
- Fund Gamma in Fund A buys 400 of this CD issued by Bank B, rate: remains x; maturity: six months; trade date: 25 April

73. Additional question on block trades: is it possible to also report the split trades to allow the reporting agents to send CORR / AMND / CANC (which is impossible for the block trade as the respective PTI is cancelled in the internal systems once the split is carried out)? The information of the block trade and split trades is the same, apart from the fact that the volume and number of transactions is divided.

Eurosystem reply: This example refers to the reporting of the selling of securities (as a block trade) to a fund manager acting on behalf of funds (i.e. actually with a counterparty belonging to Counterparty Sector S123 or S124) and not to a transaction with another MFI (i.e. with a counterparty belonging to Counterparty Sector S122). We confirm that it is also possible to report the split trades of the block trade if the details of the split are known at T and in case the split trades can be reported within the timeliness requirements of the MMSR. In principle, the reporting should follow one of the following two options (if the information of the block trade and the split trades is the same, apart from the fact that the volume and number of transactions are divided):

- In the general case the block trade is reported within the timeliness requirements of the MMSR. Afterwards, the reporting agents amend, correct or cancel the block trade, if necessary.
- Alternatively,
  - for those reporting agents transmitting only one single file per day: the split trades are reported within the timeliness requirements of the MMSR. Afterwards, the reporting agents amend, correct or cancel the split trades, if necessary;
  - for those reporting agents transmitting multiple files per day (based on an agreement with the relevant NCB for following such a reporting pattern): initially, the block trade is reported at T and, once the details of the split are known, the block trade is cancelled and the split trades are reported, but only in case the split trades can be reported within the timeliness requirements of the MMSR. Afterwards, the reporting agents amend, correct or cancel the split trades, if necessary.

2.13 Further Questions on transmission arrangements

74. 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 report containing this transaction will be rejected.

If it is an optional tag and no value is available, 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 report containing this transaction.

75. 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 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, depending on the agreement with the respective NCB this report should either be sent by the next TARGET2 business day, or alternatively, the respective transactions should be included in the report submitted on the next TARGET2 business day. In general, the missing data must be submitted as soon as possible. The late transmission (i.e. after the applicable deadlines) of a report or of individual transactions can result in a non-compliance procedure and a possible sanction.

76. In case of a missing daily report, 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 before submitting any amendments to those transactions.

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

Eurosystem reply: The Eurosystem provides a feedback loop with three main elements: (i) upon reception of the data file, an acknowledgement message is 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).

78. 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 or to the Banque de France, 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 ten TARGET2 business days. If they are not, a reminder will be sent on the ninth day.

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

  Queries regarding data quality issues will be submitted via email.

79. Section 8.4 of 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 07:00 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 07:00. The file can be sent with the same name.

80. We assume that daily reporting submissions occur Monday to Friday therefore transactions carried out will be reported by 07:00 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 07:00 on the following Monday morning. Nevertheless, reporting agents are encouraged to submit the data earlier, i.e. on Friday evening or Saturday morning.

    Please note that all trades which have been conducted on TARGET2 closing days should also be reported. Transactions conducted for instance on 1 May need to be reported, depending on the agreement with the respective NCB in a separate report, or alternatively, the respective transactions should be included in the report submitted on the next TARGET2 business day. In case of the reporting of a separate report, this report could be submitted by the reporting deadline on the first TARGET2 business day following the TARGET2 closing day – and two different files would be reported on the TARGET2 business day (in our example: by 07:00 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.

81. 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.

82. Some reporting agents go through asset managers for their trades. Hence, the deal has two statuses: one in pre-allocation (initial) and one in post-allocation (final). The final characteristics are generally known one day after the Trade Date. Does the reporting agent have to report the two transactions (initial status and final status) or only the final status of the transaction? The problem would be that, if the two transactions should be reported, the reporting agent couldn't report the same PTI/UTI for the second report (final status), whereas in their IT system the transaction traded is the same. What would be the best approach in such a case?

Eurosystem reply: For such trades the reporting agents should report the contract conditions in pre-allocation and then, if there is a change in the transaction in post-allocation/final status, the reporting agent should send an amendment. This would solve the issue with the PTI.

83. Is there a difference in reporting a transaction with a) the total amount of money being exchanged on the settlement day or b) only part of the money being exchanged on the settlement day?

Eurosystem reply: There is no difference regarding the reporting as the settlement details are not within the scope of MMSR.

84. Concerning Article 1(19) of Regulation ECB/2014/48: 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.

85. Is it envisaged that the reporting will 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 with the ECB and the respective NCBs, one reporting agent could provide the data for all subsidiaries resident within the euro area, e.g. with different LEI codes within the same (truncated) banking group, but in separate files.

86. Do both parties of a transaction need to report the same transaction if both parties are required to report under Regulation ECB/2014/48 (Transactions between two MFIs; dual reporting)?

Can one of the MFIs delegate its reporting to the other MFI?

Eurosystem reply: Yes, under Regulation ECB/2014/48 both parties have to report where they are part of the actual reporting population.

The delegation for reporting on behalf of another reporting agent is feasible only for MFIs which are part of the same banking group.

3 Questions regarding field definitions

87. 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.

88. This question concerns fields that are not required. For example, in the secured segment, there are a number of fields that are required only for floating rate repo transactions. If there are no floating rate repos, should these fields be left blank or should they be taken out of the message entirely?

Eurosystem reply: If a field does not apply to a certain message – i.e. because it is an optional one which will not be populated – the respective tag should not be included in the message.

3.1 Questions regarding Counterparty Identification

89. Experience with EMIR shows several counterparties still do not have an LEI code. In this respect, would it be possible to report with an internal identifier while awaiting the attribution of a correct LEI code?

Eurosystem reply: The Legal Entity Identifier (LEI) code must be used in all circumstances where the counterparty has been assigned such an identifier. The counterparty sector and counterparty location must be reported if an LEI code is not assigned. However, this should only be applicable in strictly exceptional cases and in all these cases the reporting agents will be asked to clarify this information.

90. A reporting agent could conduct transactions facing third-country entities (counterparties that are not located in EFTA) and have problems trying to categorise them.

Eurosystem reply: Regardless of the location of the counterparty, the LEI must be provided.

91. How can it be precisely identified whether or not a counterparty is a supranational authority? Could the ECB provide a detailed list of supranational authorities?

Otherwise, can the BAFI classification be used? I.e. the following codes:

- 418 (non-financial international organisations)
- 738 (international development banks and international financial organisations)
- 732 (foreign central banks)
- 701 (national central banks)

Eurosystem reply: Supranational authorities should not be classified via a code list. If the reporting agent conducts a transaction with a supranational authority, this entity should be identified via its LEI. Consequently, the COUNTERPARTY IDENTIFICATION field should contain the LEI, while the COUNTERPARTY SECTOR and the COUNTERPARTY LOCATION fields should not be included

92. Some international organisations do not have an LEI. As an alternative, counterparty sector and counterparty location could be reported. However, ISO 3166-1 alpha-2 allows only alphabetic characters (like DE for Germany), but international organisations have different codes in which numbers also appear. So reporting the counterparty sector and location would then be impossible, because transactions reported in that way would be rejected. How should reporting agents report in these cases?

Eurosystem reply: In general, all international organisations have an LEI. However, in the exceptional case that an international organisation should not have an LEI, the reporting agent should provide the country where the headquarters of the supranational authority are located if the counterparty location code differs from the ISO 3166 standard.

93. Which party should be identified as the 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.

94. Which counterparty location should be reported?

Eurosystem reply: The country of incorporation should be reported if the LEI of the counterparty is not reported.

95. Counterparty sector and Collateral issuer sector: as it 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 – 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.

3.2 Questions on the “Creation date” field

96. Should the Creation Date be reported with a UTC/GMT time zone, or with information about a concrete time zone?

Eurosystem reply: It 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 with a UTC/GMT time zone (e.g. "2016-07-05T05:30:00Z").

3.3 Questions on the "Reference period" field

97. Is the reference period always day T? Or should it be [T-*n* days; T] if 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 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
END: 2015-05-13T18:00:00+01:00

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

3.4 Questions on the "Trade Date", "Settlement Date" and "Maturity Date" fields

98. What does the timestamp for the field "Trade Date" correspond to?

Eurosystem reply: It 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.

99. **Updated:** How should the time zone information be reported for "Trade Date"? For example, if the Trade Date and Time is 18:00 IST (Indian Standard Time – 05:30 hours ahead of GMT) on 26 November 2014, should it be reported as:

    a. 2014-11-26T18:00:00-05:30 OR

    b. 2014-11-26T12:30:00+05:30

Eurosystem reply: It should be reported either as 2014-11-26T18:00:00+05:30 or as 2014-11-26T12:30:00+00:00.

100. Should the reporting agent specify the time zone if the Trade Date is provided as Date and not as DateTime; if yes, how should this 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, e.g. 2014-11-26 stands for 26 November 2014 CET.

101. Can transactions be reported with Trade Date and Settlement Date falling on a TARGET2 closing date?

Eurosystem reply: As a general rule:

For transactions with open maturity and evergreens, the rollover is reported with Trade Date and Settlement Date falling on TARGET2 business days only;

For fixed term operations, the reported Trade and Settlement Date are the ones agreed and usually fall on TARGET2 business days;

For fixed-term operations with automatic renewal, the correct reporting depends on the specific contractual requirements. In general, the Trade Date and Settlement Date reported are the ones specified in the specific contractual agreement, i.e. if the fixed-term operation matures on a TARGET2 closing day and the contract between the two counterparties indicates that the parties can renew the operation also on TARGET2 closing days, then such operations are reported with Trade Date and Settlement Date on the respective TARGET2 closing day.

102. 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.

103. **Updated:** In case the reported Maturity Date refers to the first date on which the termination can occur, how shall the Maturity Date be reported for agreements in which the notice period is expressed in calendar days or business days?

Eurosystem reply: In general, notice periods can be agreed both in calendar days and in business days. For transactions for which the reported Maturity Date refers to the first date on which the termination can occur (as e.g. for open evergreens), the reported Maturity Date is calculated based on the notice period as specified in the underlying transaction agreement. When the notice period is agreed in business days, the reported Maturity Date must be calculated accordingly to reflect the calendar date that falls after the agreed number of business days, as illustrated in the example below:

Case A: The agreement provides for a notice period of 5 **calendar** days.

Case B: The agreement provides for a notice period of 5 **business** days.

	Day	Trade Date	Settlement Date	Maturity Date – case A	Maturity Date – case B	Comments
Monday	T	T	T+1	T+7	T+8	Reporting of new fixed-term evergreen repo. The reported Maturity Date reflects the notice period. As the settlement of the front leg occurs on T+1, the first record is reported with Settlement Date on T+1. For case A, the maturity date is 5 **calendar** days after the settlement date, so on T+6, which is a TARGET2 closing day. The reported Maturity Date, applying the Modified Following Business Day Convention, is therefore rolled to T+7. For case B, the maturity date is 5 **business** days after the settlement date, so on T+8.
Tuesday	T+1	No reporting				
Wednesday	T+2	T+2	T+2	T+7	T+9	Rollover of open repo.
Thursday	T+3	T+3	T+3	T+8	T+10	Rollover of open repo.
Friday	T+4	T+4	T+4	T+9	T+11	The open repo is called, and the operation is reported for the last time on T+4. No further rollovers are reported following the call.
Saturday [TARGET2 closing day]	T+5	No reporting				
Sunday [TARGET2 closing day]	T+6	No reporting				
Monday	T+7	No reporting				
Tuesday	T+8	No reporting				

Wednesday	T+9	No reporting				
Thursday	T+10	No reporting				
Friday	T+11	No reporting				

104. **Updated:** Should we consider TARGET2 closing days when reporting the maturity date for open-ended trades? If 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:

unrolled on 2016/08/06 (Saturday)

rolled on 2016/08/08 (Monday)

Eurosystem reply: Reporting agents report maturity dates as they have been negotiated:

However, deposits, call accounts, secured trades or FX swaps cannot settle and therefore cannot, save for certain exceptions, mature on TARGET2 closing days. Accordingly, reporting agents would usually negotiate maturity dates falling outside 1 May and Saturday 6 August in these examples, and would report the effective maturity date, which is normally on a TARGET2 business day.

For OIS transactions, the maturity date is defined as the last date of the term over which the compounded overnight rate is calculated. When the contractually agreed maturity date falls on a TARGET2 closing day and the calculation of the compounded overnight rate is shifted to the next business day, the respective OIS transactions are reported with the effective (rolled) maturity date.

For short-term securities, the same logic applies – if such mismatches occur, the maturity of the instrument has to be reported as issued. These mismatches are, however, more frequent with long-term securities than with short-term securities that are reported for MMSR.

If a transaction is negotiated with a settlement or maturity date falling on a TARGET2 closing day, it should be reported as it was negotiated and booked.

105. How should transactions with a "future" trade date be reported?

Eurosystem reply: If the trade date is in the future then the reporting agents are expected to postpone the reporting of this deal and to submit it only on the actual date of the trade.

106. How should the field "Settlement Date" be filled for a call account with a reporting date of 03/08 and a Maturity Date of 04/08?

Eurosystem reply: The following reporting would be expected:
Trade date: 03/08
Settlement date: 03/08
Maturity date: 04/08

In general, in the case of call accounts, the reported Trade Date and Settlement Date should both be reported as "T" while the Maturity Date should be reported as "T+1".

107. Question regarding retail deposits. Please consider the following example: a wholesale counterparty deposits €2 million with an entity (term deposit) on 4 April (trade date), but the entity agrees with the counterparty to receive interest from 1 April (value date for interest purposes). Which date should be considered as the trade date and which as the settlement date?

Eurosystem reply: Agreeing to start the interest count on a day prior to the negotiation date is unusual but may happen in certain situations. In this case, the bank should report the trade date as 4 April and the settlement date as 1 April to match the interest rate period.

3.5 Questions on the "Transaction nominal amount" and "Transaction deal price" fields

108. 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.

109. **Updated:** How should the transactional nominal amount be reported in cases where there is a redemption scheme or a deposit guarantee scheme?

Eurosystem reply: Regardless of whether or not the transaction is with a redemption scheme or a deposit guarantee scheme, reporting agents should report the initial transaction nominal amount. Please note that life-cycle events should not be reported.

110. 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: For deposits, call accounts, secured trades and FX swaps the nominal amount should be the cash paid/received at the beginning of a transaction, based on the euro amount. 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, multiplied by the transaction deal price (not the clean price, but rather the "dirty price" that includes accrued interest at the issuance rate for coupon-bearing securities and the discount price for discount securities), is to be reported separately.

111. **Updated:** For equity repos does the Transaction Nominal Amount field refer to cash (number of equities multiplied by the price)?

Eurosystem reply: Under Transaction Nominal Amount the initial cash actually transacted should be reported, which is usually different from the value of the securities lent.

112. 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. the subscription. If it is done "late" it is a new transaction; however, no secondary market deals are reported – only primary market transactions are to be reported.

113. Transaction Nominal Amount: If an amortising OIS 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 notional nominal amount.

114. The Transaction Deal Price 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.

3.6 Questions on the "Deal Rate" field

115. How should open repos and operations with several fixing periods be reported? Should 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, indicating the reference rate and the spread. There is no need to report each fixing.

116. Deal Rate: Is the dot (".") included in the total length?

Eurosystem reply: No.

117. How should the sign in the XML files be reported?

Eurosystem reply: When reporting the field "Deal Rate", the appropriate sign should be included within the designated tag.

For instance, negative rates should be reported as follows:

-0.339 =>

<DealRate>-0.339</DealRate>

… while positive rates should be reported as follows:

0.339 =>

<DealRate>0.339</DealRate>

118. Which type of interest needs to be reported for those contracts which have a maturity date between 365 and 397 days after the settlement date? For this particular case should it be simple interest rate or compounded?

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

119. 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. International Capital Market Association (ICMA) conversion of act/act)?

Eurosystem reply: Reporting agents have to report interest rates expressed in accordance with ACT/360 money market convention.

120. How should the deal rate 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.

121. Reporting of the deal rate in the case of a minimum interest yield:

Some unsecured lending transactions have no “normal” interest rate (e.g. 0.5%) but a minimum interest yield (e.g. EUR 150). Therefore, the reporting agent converts the minimum interest yield into an effective per annum interest rate. This can lead to high positive deal rates if the transaction nominal amount is very low. Take the following example:

Bank A lends EUR 10,000 to Bank B. Bank A has a monthly fixed minimum interest yield of EUR 150 for this transaction. Therefore, Bank B needs to pay interest of EUR 150 per month. Bank A converts this monthly interest payment into an effective per annum interest rate of approx. +18% (150*12/10,000).

Bank A reports the following under MMSR:

Transaction Nominal Amount: EUR 10,000
Transaction Type: LEND
Instrument Type: DPST

Deal Rate: +18%

If the transaction nominal amount is only EUR 4,000, the deal rate would be approx. +45% (150*12/4,000).

We assume that the above-mentioned conversion of minimum interest yields into effective interest rates is correct. Do you agree?

Eurosystem reply: We are aware that these trades could indeed be characterised by unusual characteristics. These trades will undergo further analysis and the respective reporting agent might be contacted bilaterally to give any clarification sought on them.

3.7 Questions on the “Reference Rate Index” field

122. What should be reported when the reference rate used in a transaction is the euro short-term rate (€STR)?

Eurosystem reply: The International Securities Identification Number (ISIN) assigned to the €STR is EU000A2X2A25 and this ISIN should be reported when applicable in line with the MMSR Reporting Instructions.

123. What should be reported if there is more than one reference rate index applicable for a transaction?

Eurosystem reply: In the MMSR XML schemas only one reference rate index can be reported. Therefore, the reference rate index with the biggest influence should be reported.

124. For testing purposes only, we have sent in a submission with a non-existing Reference Rate Index – please see below:

```
<LEI>R0MUWSFPU8MPRO8K5P83</LEI>
</CtrPtyId>
<TradDt>
<Dt>2016-03-10</Dt>
</TradDt>
<SttlmDt>2016-03-10</SttlmDt>
<MtrtyDt>2016-03-14</MtrtyDt>
<TxTp>BORR</TxTp>
<InstrmTp>DPST</InstrmTp>
<TxNmnlAmt Ccy="EUR">10000000</TxNmnlAmt>
<DealPric>100</DealPric>
<RateTp>VARI</RateTp>
<FltgRateNote>
<RefRateIndx>EU0009652786</RefRateIndx>
<BsisPtSprd>0</BsisPtSprd>
</FltgRateNote>
</Tx>
```

This submission has been accepted, even though the ISIN EU0009652786 does not exist. Are you able to say whether a data quality check is carried out on the content of the field for the Reference Rate Index? This field should meet general “format rules”, but it seems that no check is carried out to verify if the ISIN exists or not. Is that assumption correct?

Eurosystem reply: ISIN codes for the reported Reference Rate Index undergo format Data Quality Checks to make sure they comply with the respective ISO requirements. Whether the reported ISIN codes actually exist is not verified during the technical Data Quality Checks, scheduled to be performed on the file and transaction level upon receipt at the ECB. However, the reported ISIN codes are nevertheless checked on the day that the data are received to ascertain whether they actually exist and are correct. In case an ISIN code is incorrectly reported, the Eurosystem may contact you in order to clarify the issue and obtain the correct ISIN.

125. If a reporting agent does not use, for example, EURIBOR or LIBOR as a reference rate but uses an individual cost rate instead that does not have an ISIN, which ISIN must be reported for the field "Reference Rate Index"?

Eurosystem reply: In this scenario, no dummy ISIN is required. However, because a rate will be calculated based on the reference to which the basis point spread is added, and as this rate is used for the reporting agent's internal purposes only, the reporting agent will instead have to report the final rate with Rate Type "FIXE".

3.8 Questions on the "Basis Point Spread/FX Forward Point" field

126. If a variable interest rate is reported, the basis point spread also needs to be reported. However, it might be that a cap or floor is also agreed. This cap or floor cannot be reported under MMSR. The question is whether it should be ignored or whether it should be included in the reporting if it would be relevant on the first reporting date. To illustrate this issue, let us assume the following example:

Transaction with €STR + 20 bp; floor: 0.0%. On the trade date the €STR is -0.24.

Reporting alternative A:

Basis point spread: +20bp as agreed in the contract and ignoring the agreed floor

Reporting alternative B:

Basis point spread: +24bp because the "real" interest rate of this day is 0

A reporting of €STR and basis point spread would mean that market analysts would assume a slightly negative interest rate. However, the "real" interest rate of this day is 0, as the floor is relevant for the counterparty.

Eurosystem reply: Option A is correct.

127. The Basis Point Spread/FX Forward Point fields should be reported as a positive or negative number according to the rules set up by the Reporting Instructions and the documentation of the MMSR XML schemas (as e.g. ISO Number and ISO DecimalNumber); consequently, these variables should include a sign. However, there is no separate tag for a sign. Could you please specify how this should be reported?

Eurosystem reply: The appropriate sign should be included within the designated tag. For negative numbers the minus sign should be included in the tag while for positive numbers no sign is included in the tag.

128. 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.

3.9 Questions on the "Collateral ISIN" and "Collateral Type" fields

129. 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 issuance. 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", "collateral issuer sector" and "pool status" should be reported. If the exact COLLATERAL TYPE and COLLATERAL ISSUER SECTOR are not known, the reporting agent should provide an assumption on what the collateral would represent. In such cases, we expect the transaction to be resubmitted as an amendment, containing the ISIN of the collateral, as soon as the reporting agent has obtained the necessary information.

130. For repos, what are the "collateral types"?

Eurosystem reply: The reporting agents should report the CFI code – ISO 10962:2015 under the field collateral type.

131. Collateral type: ISO 10962 is a quite complex code – what level of detail is expected to be provided for the Collateral type 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, 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.

132. When completing the pertinent field for collateral type, we enter DB. However, we still receive the following error message:

DQS2001 - Invalid code [COLLATERAL TYPE value] provided for field COLLATERAL TYPE.

Can you please explain what the error is?

Eurosystem reply: The data quality check is triggered because this variable has to be reported with a length of six characters (not two), in line with the Reporting Instructions and the ISO documentation. Therefore, if only the first two levels of the code are reported, using the example above this should be reported as “DBXXXX”.

133. At the trade date of a triparty repo the composition of the collateral pool is not yet known. Therefore, it is not possible to report an ISIN code. In accordance with the Reporting Instructions, therefore, the field Collateral Type will be populated with a CFI in the Other Collateral block of the message. Again, in accordance with the Reporting Instructions, whenever the ISIN is not provided, the Reporting Agent has to provide the Collateral Issuer Sector. However, in order to know the Issuer Sector, it is necessary to know the composition of the pool, which will only be possible on the settlement date. If the field is left blank, the message will be rejected. In view of this, what is the reporting agent expected to report in this particular case? Is the reporting agent supposed to postpone the reporting of the trade until the pool composition is known or report at the trade date but using a generic Issuer Sector code?

Eurosystem reply: Reporting information on the actual allocation of collateral is not required for triparty transactions as these are assumed to be traded against general collateral pools. For trades against GC pools/baskets that can be identified by a generic ISIN code, the generic code must be provided in the COLLATERAL ISIN field (see also Q&A no. 29). When this is not the case (see also Q&A no. 149), high level pool information is reported in the fields "Collateral Type" and "Collateral Issuer Sector" instead. These fields are to be populated based on a reasonable expectation of the preponderant asset class foreseen for the allocation. This expectation will be normally based on the eligibility set or specific basket agreed for the trade. As an example, many triparty trades will be such that they can be reasonably expected to have government debt securities as preponderant collateral; in this case is sufficient to report "Collateral Type” as “DBXXXX” and "Collateral Issuer Sector" as “S13”. In special cases where no reasonable expectation can be made in respect of a single generic asset class expected to dominate the final collateral allocation, the reporting agent may repeatedly use the block “Other Collateral” in order to specify the "Collateral Type" and "Collateral Issuer Sector" for more than one asset classes/issuer sectors that are expected to dominate the allocation.

133b. **NEW:** Could you please clarify how to report rollovers for triparty general collateral transactions?

Eurosystem reply: According to Sections 2.2.6 and 3.2 of the MMSR Reporting Instructions, the reporting of each successive record in an open transaction shall reflect the information initially agreed at the inception of the contract unless the substance of the transaction changes, e.g. variations on the volume or rate are applied, in which case the new conditions are reported as in any other renegotiation. In particular, in the absence of a renegotiation, collateral attributes such as Collateral Nominal Amount, Collateral Haircut, Collateral Type and Collateral Issuer Sector should not be updated to reflect the impact of i.a. margin calls, collateral substitutions or changes in the market value of the collateral. This also applies to rollovers of triparty transactions. Specifically, the daily collateral

allocation by the triparty agent does not alter the substance of the transaction. A substantive change only occurs in the event of a modification to the eligibility schedule (basket) originally agreed upon for the transaction.

3.10 Questions on the "Instrument type" field

134. 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, as defined in point (1) of Article 4(1) of Regulation (EU) No 575/2013, are considered to be MFIs. Please refer to the ECB's lists of financial institutions: https://www.ecb.europa.eu/stats/money/mfi/html/index.en.html.

135. 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 and definitions of call accounts and deposits are included there.

136. 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 the MMSR Reporting Instructions (Instrument type reference table).

137. 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 an FRN because the coupon would be defined by a reference rate + spread (this field is not applicable for fixed-rate instruments).

138. Should the reporting of other short-term debt securities issued ("OTHR") be limited to the rate type "FIXE" or would a "VARI" reporting be accepted? The alternative would be to report "OTHR" with a "VARI" interest rate as a floating rate note ("FRNT").

Eurosystem reply: A VARI reporting for OTHR would be accepted – i.e. when a reporting agent reports other short-term debt securities issued ("OTHR") to state either fixed rate or a variable rate (with the variables applicable to FRNs: ISIN & spread).

3.11 Questions regarding Calls and Puts

139. Please provide clarification as to the 2.4.2.2.16 CallPutOption, 2.4.2.2.16.2 DateOrPeriod and 2.4.2.2.16.1 Type (all taken from the ISO20022_MDRPart2_MMSR_forSEG_v2.pdf document). Is there an example of how these are to be displayed in the output xml file?

Eurosystem reply:

Please find below two examples on how to use the CallPutOptn and DtOrPrd tags. In the first one, the notice period is reported while in the second one, the earliest exercise date is reported.

```
<unsecured:CallPutOptn>
    <unsecured:Tp>PUTO</unsecured:Tp>
    <unsecured:DtOrPrd>
        <unsecured:NtcePrd>7</unsecured:NtcePrd>
     </unsecured:DtOrPrd>
 </unsecured:CallPutOptn>
```

```
<unsecured:CallPutOptn>
    <unsecured:Tp>CALL</unsecured:Tp>
    <unsecured:DtOrPrd>
       <unsecured:EarlstExrcDt>2015-11-27</unsecured:EarlstExrcDt>
  </unsecured:DtOrPrd>
 </unsecured:CallPutOptn>
```

140. First Call/Put date: In the unsecured segment 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.

141. Can you please provide some clarification on the CALL OR PUT field in the unsecured segment (variable 190)? If this value is null on deposits/loans and short-term securities, then should the field still be included in the XML file?

Eurosystem reply: The CALL OR PUT field is optional. It only has to be reported for callable or puttable instruments. Therefore, if a transaction does not contain a call or put option, the respective fields relating to the Call/Put option should not be included in the XML message.

4 Questions regarding the MMSR segments

4.1 Secured market segment

4.1.1 Questions on the secured segment

142. 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.

143. 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.

144. 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.

145. Regarding collateralised interbank loans, the loans are in general comparable to the loans reported in, for example, the monetary financial institutions (MFI) Interest Rate Statistics (although of course the counterparty is not a private household or a non-financial corporation but a credit institution). Therefore, all different levels of collateralisation are possible – from 0% to 100% – and also all different types of collateral are used in practice. Owing to this range of possibilities, it would be advisable to include all interbank loans (irrespective of the collateralisation) in MMSR.

Eurosystem reply: Only new MIC collateralised loans should be reported.

146. Collateralised interbank loans as secured transactions:

According to the MMSR Regulation, “all repurchase agreements and transactions entered into thereunder, including triparty repo transactions” need to be reported in the secured market segment. Nr. 22 of Article 1 of the Regulation defines a “repurchase agreement” as follows: “'repurchase agreement’ means an agreement under which the parties thereto

may enter into transactions in which one party ('seller') agrees to sell to the other ('buyer') specified 'assets' ('securities', 'commodities' or 'other financial assets') on a near date against the payment of the purchase price by the buyer to the seller, with a simultaneous agreement by the buyer to resell to the seller the assets on a fixed future date or on demand against the payment of the repurchase price by the seller to the buyer. Each such transaction may be a repurchase transaction or a buy and sell-back transaction. 'Repurchase agreement' can also mean an agreement to pledge assets and give a general right of reuse in exchange for the loan of cash on a near date and repayment of the loan and interest on a far date in exchange for the return of the assets. Repurchase transactions may be undertaken with a predefined maturity date ('fixed-term repurchase transactions') or without a predefined maturity date leaving both parties the option to agree to roll over or terminate the agreement each day ('open basis repurchase transactions');"

(1) It appears that this definition allows only for loans that are collateralised with one of the above-mentioned assets (=> this constellation is usually conducted as a repo). The reporting of other collateralised loans seems difficult under this definition as they are not transactions related to repos.

(2) In addition, transactions with, for example, real estate collateral appear to be outside the scope from the perspective of the Regulation, as only securities, commodities and other financial assets are mentioned therein. Is that correct?

(3) Systems for collateralised interbank lending but also for collateralised lending to other sectors that are reportable in the secured market segment would have to be included in MMSR, which does not seem to be in line with the purpose of MMSR.

→ Reporting of collateralised interbank loans as secured transactions would cause a lot of additional work (and therefore additional costs) for reporting agents, as, to date, internal systems for collateralised loans are not usually included in MMSR. Given that the Q&A document states that transactions conducted under the "New MIC" (market for collateralised interbank deposit) should be reported, it might be worth considering not to impose the obligation to report collateralised loans (apart from "repo-like-transactions") so as not to increase the reporting burden for the reporting agents.

Eurosystem reply: Under the current stance, only transactions entered under the new MIC should be reported, while other types of collateralised interbank loans are out of the scope.

Please note that collateralised interbank loans are reportable (as new MIC) provided indeed they are collateralised by financial assets or commodities.

147. With regard to a special constellation in the MMSR secured market segment, a repo transaction may include a dividend payment in cash during the term of the transaction. This dividend payment, included in the interest rate of the transaction, could cause a rate of up to -20%, as this rate acts as a premium to assure the cash payment of the dividend instead of (for example) the payment of subscription rights.

Would this method of reporting be correct? In such a case, there would be no possibility to calculate and report an interest rate that would exclude the premium paid. However, the rate reported would not represent a market rate which is high due to a bad credit rating of the reporting agent/counterparty or urgent need for the security.

Eurosystem reply: Reporting agents should transmit all the data which is part of the transaction, as is the case here. In this particular instance, the following WARNING would be triggered:

ADQS201: DEAL RATE [DEAL RATE value] is lower than ECB Deposit Facility Rate [ECB Deposit Facility Rate value] – 5.0 percentage points which would allow us to monitor this case.

148. Should fixed-term evergreens with a notice period of, for instance, 185 days be reported, also in case the fixed final repurchase date of the operation is more than 397 days after the settlements date?

Eurosystem reply: Yes, all repurchase agreements with a maturity date of not more than 397 days after the settlement date have to be reported. In the case of an evergreen transaction, the Reporting Instructions Section 3.2 establish that the maturity date is given, on each rolling reporting date, by the earliest date on which the repurchase leg could occur. In the example given, this would be always 185 days after the settlement date reported for each rolling entry. Therefore, the transaction has to be reported because the maturity of the operation is taken to be a constant 185 days throughout, and hence equal to the length of the notice period, irrespective of the terminal fixed maturity date of the contract. Regarding transactions with initial length of a contract of more than 397 days in the unsecured segment, please refer to Q&A no. 163.

149. How should the collateral be reported in case of a pool that cannot be identified by a single generic ISIN, while the multiple securities contained in the pool can all be identified by individual ISINs? Should the collateral of this transaction be reported as Multiple Collateral providing the individual ISINs or as Other Collateral with Pool Status?

Eurosystem reply: In this case Other Collateral with Pool Status “POOL” has to be reported, as the information on the characteristic of the collateral as being a pool is at a higher level than the ISIN information of the individual pieces of collateral and is therefore the dominant criterium in this case.

150. **Updated:** Collateral haircut: could further explanations be provided regarding the determination of the haircut value to be reported?

Eurosystem reply: For reporting purposes, in line with the formula provided in the description of the variable Collateral Haircut in Section 3.4 of the MMSR Reporting Instructions, 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, multiplied by 100:

*COLLATERAL HAIRCUT or I.M. EXPRESSED AS HAIRCUT = 100 – (cash lent or borrowed/collateral market value including interest) * 100*

For this purpose "cash" means "the amount exchanged between the two parties" and "market value" means "the dirty price".[1] The haircut measures the surplus/deficit of the collateral price relative to the cash lent/borrowed. A haircut of, for example, 5% is therefore reported with a value of “5”. Only actual values, as opposed to estimated or default values, should be reported for this variable.

The above formula is primarily provided for reference purposes. Haircuts on repos may be agreed either as a percentage haircut or as a percentage initial margin. The formula helps to standardise the reporting to a common metric (percentage haircut) irrespective of the specific variant (haircut or initial margin) agreed for the transaction.

Thus, while the formula may appear to suggest that a haircut is calculated on the basis of the values of cash and collateral, the haircut/initial margin usually constitutes a **fixed parameter** for a specific trade and determines the exact value for the cash leg of the repo, not the other way round.

In practice, for trades for which a haircut is agreed, the reported field could be populated directly with the agreed percentage without any calculation. However, for trades for which an initial margin is agreed instead, the initial margin should be converted into a haircut metric using the above formula. Alternatively, given that initial margin is defined as:

*INITIAL MARGIN = (collateral market value including interest/cash lent or borrowed) * 100*

the haircut field could also be populated with the result of the following calculation based on the agreed initial margin percentage:

*COLLATERAL HAIRCUT = 100 – (100/INITIAL MARGIN) *100*

As an example, in the case of a repo in which a bank borrows EUR 100 million, providing collateral with a market value of EUR 105 million, the haircut and initial margin would be:

*Haircut = 100 – (cash lent or borrowed/collateral market value including interest) * 100*

*= 100 – (EUR 100 million/EUR 105 million) *100*

= 4.76

Initial margin = *(collateral market value including interest/cash lent or borrowed) * 100*

= (EUR 105 million/EUR 100 million) *100

= 105

And the haircut value calculated from the initial margin would be:

*Haircut = 100 – (100/INITIAL MARGIN) *100*

*= 100 – (100/105) * 100*

= 4.76

[1] The market value of the collateral including accrued interest, which is part of the haircut formula, usually has a different value than the Collateral Nominal Amount, which specifies the nominal amount of the collateral and is reported in a separate field.

For open transactions, the Collateral Haircut value reported at the transaction's inception should be reported for all successive records. In particular, in the absence of a renegotiation, the collateral attributes (including the Collateral Nominal Amount and the Collateral Haircut) should not be updated to reflect the impact of i.a. margin calls, collateral substitutions or changes in the market value of the collateral.

In the case of multi-collateral repos, the haircut field is optional. When reported, it may be computed as a volume-weighted average, using e.g. the first formula described above, but substituting '***sum of*** *collateral market values including interest' for 'collateral market value including interest*'.

151. 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.

152. Which nominal amount should be reported on day T if the reporting agent has negotiated the collateral on day T+1?

On T+1 the collateral is agreed with the counterparty and the trade is settled.

Eurosystem reply: In the example given, the reporting agent should report this transaction as follows:

- On date T (trade and negotiation day) the transaction should be reported with the details that can be given at the close of the day
- On date T+1 the transaction collateral details are provided as an amendment (AMND)
- On date T+2 the reporting agent can update the collateral nominal amount if it has been modified; meanwhile, the transaction nominal amount remains unchanged.

153. Triparty Agent Identification: What should be reported if the triparty agent has no LEI? More specifically – when a triparty agent is a 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.

153b. **NEW:** Could you please clarify how to report arrangements in which an open repo is called in advance (i.e. with longer notice) for a future date while the open repo can still be called on demand? From an economic perspective the resulting structure resembles one of a fixed-term callable repo, even though there may be no record of any fixed-term callable in our system.

Eurosystem reply: According to Section 3.2 of the Reporting Instructions, open repos are reported with rolling daily records until the notice of termination is served. In the regular case, the termination date is determined at the time of the call and no further calls are possible. In the case of arrangements in which transactions remain callable on demand, the reporting of daily records continues until the operation is (finally) called, or until the

newly established fixed maturity is reached, whichever occurs first. The same applies where an open repo is transformed into a fixed-term callable repo.

This is illustrated in the following example of an open repo which is terminated and transformed into a fixed-term callable repo, or arrangements in which early notice is given for a future date while the open repo can still be called on demand. The open repo with Trade Date T and Settlement Date T+2 can be redeemed (terminated/closed/called) at overnight maturity. On T+4, the two counterparties agree to close the open repo on T+9 while the open repo can still be called on demand. Subsequently, the open repo/fixed-term callable repo is finally called on T+6 and then matures on T+7.

Day	Trade Date	Settlement Date	Maturity Date	PTI	Comments
T	T	T+2	T+3	“1”	
T+1	No reporting			-	
T+2	No reporting			-	
T+3	T+3	T+3	T+4	“2”	Rollover of open repo. Any changes to the transaction details are reflected in the reported rollover, subject to the rules set out above for the reporting of rollovers for open-basis repos.
T+4	T+4	T+4	T+5	“3”	Rollover of open repo. There is an arrangement whereby the open repo is called with advance notice (for final maturity in T+12) while the open repo can still be called on demand. The rollover is reported with Maturity Date ‘T+5’ to reflect the fact that the operation can still be called on demand.
T+5	T+5	T+5	T+6	“4”	Rollover of open repo/fixed-term callable repo. The operation is reported on a daily basis as an overnight maturity rolling transaction until it is called, or until the fixed maturity in T+12 is reached, whichever occurs first.
T+6	T+6	T+6	T+7	“5”	Rollover of open repo/fixed-term callable repo. The operation is called and reported for the last time on T+6. The settlement of the return leg occurs as per notice on T+7. No further rollovers are reported following the call.
T+7	No reporting			-	Termination of account

4.1.2 How to report... – Secured Segment

No.	Instrument or information	Description
1	Margin calls	According to Section 2.2.6 of the Reporting Instructions life cycle events such as, inter alia, margin calls and collateral substitutions[2] will not be reported. These are events in the life cycle of transactions that are already foreseen to take place on the basis of the transaction terms or on the basis of the master agreement governing the transactions or imposed on one or both of the parties, and do not involve a renegotiation.
2	Operations conducted in "New MIC" (market for collateralised interbank deposit)	They should be reported as secured/collateralised transactions
NEW 3	Calculation of collateral nominal amount in EUR for collateral denominated in other currencies	It is recommended that the FX rate from the market closing on the Trade Date be used to calculate the collateral nominal amount in EUR. Alternatively, other FX rates occurring over the course of the Trade Date can be used. According to Section 2.2.7 of the MMSR Reporting Instructions, regarding transactions which must be reported on a daily basis (e.g. transactions with open maturity or evergreens), the reporting of each daily record must reflect the information initially reported at the inception of the contract unless the substance of the transaction changes, e.g. variations of the volume or rate applied, in which case the new conditions are reported as in any other renegotiation (see Section 3.2 of the MMSR Reporting Instructions). Therefore, unless there is a renegotiation the subsequent daily records would be reported with the same collateral nominal amount initially reported at the inception of the trade. The FX rate should be used without rounding, as illustrated in the example below: In the case of a EUR/USD rate of 1.0393 and a Collateral Nominal Amount of USD 125,000,000, the Collateral Nominal Amount in EUR to be reported is 125,000,000 [USD]/1.0393 [USD/EUR] = EUR 120273260.84865.
NEW 4	Transactions in which a central bank acts as triparty agent	In the case of a general collateral repo transaction (for investment purposes) with a central bank counterparty in which the same central bank is also responsible for the allocation of the securities, both the reported Counterparty Identification and the reported Triparty Agent Identification should indicate the central bank counterparty. The warning triggered by the MMSR Data Quality Check DQS802 due to the same reported counterparty and triparty agent can be ignored in this case. Moreover, the information on the collateral should be reported as in the case of a triparty repo for which a generic pool ISIN is not available, as indicated in Sections 3.1 and 3.4 of the MMSR Reporting Instructions, i.e. by reporting the composition of the eligibility pool using the Collateral Type, Collateral Issuer Sector and Collateral Pool Status fields.

[2] For the full list events which are considered as life cycle events, please refer to the MMSR Reporting Instructions.

NEW 5	Special (or Specific) Collateral Indicator	The flag Special (or Specific) Collateral Indicator identifies whether a transaction has been agreed against a general collateral basket or a specific collateral security. It is also used to report collateral swaps in the form of a cash-neutral pair of matched repo and reverse repo. This variable refers to a transaction's contractual nature. This is distinct from the notion of specialness, i.e. whether the repo rate is below that for similar securities. Reporting of this field is expected when the classification can be determined from the information available in the trading or reporting systems, without the need for manual investigation. In particular, reporting agents are expected to populate this field when a transaction is executed on multilateral trading facilities offering repo basket trading without a triparty agent (i.e. GC trading with collateral allocation by the seller). Examples include EuroMTS, Brokertec and Eurex GC Repo. Further information is provided in the description of this field in the Reporting Instructions Section 3.4.
NEW 6	Incorrect use of ISINs when reporting bilateral triparty repos	The guidance below complements the guidance included in Section 3.1 of the MMSR Reporting Instructions. Pseudo-ISINs that are internal to a triparty collateral management system to identify baskets used in bilateral (i.e. not CCP-cleared) triparty repos should not be reported. Basket ISINs used in GC financing facilities (such as LCH S.A.'s €GC+ or Eurex GC Pooling), i.e. facilities integrating CCP clearing with triparty collateral management, must be reported only for trades executed in those specific facilities. They should not be used when reporting bilateral triparty repos, even if the eligibility criteria for their collateral pools are comparable or analogous to those of a GC financing basket. Information on the collateral eligible in bilateral triparty repos should therefore be reported using the fields COLLATERAL TYPE, COLLATERAL ISSUER SECTOR and COLLATERAL POOL STATUS instead.

4.2 Unsecured market segment

4.2.1 Questions on the unsecured segment

154. 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 unsecured segment 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 financial corporations (except central banks where the transaction is not for investment purposes), general government, as well as transactions with NFCs 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.

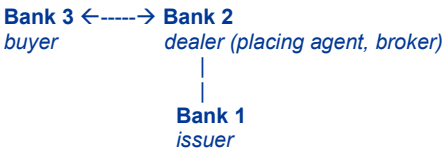
155. Consider the following example: a reporting agent has issued a CD and then an additional Tranche is issued.

A zero coupon CD is issued, with a value date of 5 January, a maturity date of 6 February 2017, a price of 100.2 and FRx as its ISIN code. On 27 January, a client of the reporting agent subscribes to the zero coupon CD for a duration of one week, with a starting date on 30 January, and maturity on 6 February. The transaction is priced at 100.1. It is carried out through an additional subscription of the existing Tranche with the same ISIN code and the same features, maturity date and type of coupon. Should the reporting agent report the additional subscription?

Eurosystem reply: This is considered to be a re-opening of an existing issuance, therefore it will fall outside the scope of MMSR.

156. **Updated:** Is it possible to conclude that a reporting agent who is in charge of distributing a paper (dealer) should report the transaction because it is considered that the paper is issued on the primary market and hence, this dealer is not considered as a third party?

Eurosystem reply: The dealer selling the bond issued by another party has nothing to report as long as the dealer is not the issuer. If reporting agent 1 issues a paper that is distributed by reporting agent 2 to one of reporting agent 2's clients, reporting agent 2 does not report. Reporting agent 1 on the contrary has to report the issuance of the bond, i.e. its sale to any party, as this is a funding operation. If the buyer of the issued bond on the primary market (i.e. not on the secondary market) is a reporting agent, the reporting agent has to report the purchase of the issued security.
The following example serves to illustrate the reporting requirements: A commercial paper (CP) is issued by Bank 1 and further distributed on the same day by Bank 2 in the capacity of a dealer (placing agent, broker) to Bank 3 (the final buyer of the paper), as illustrated below:



In this case the following transactions have to be reported:

- Bank 1 reports the issuance of the CP where Bank 1 can report either the dealer or the buyer as counterparty (depending on information available in reporting system). If possible, Bank 1 reports the buyer as counterparty. In line with the general exclusion of intragroup transactions, Bank 1 does not report transactions in which the buyer is a group entity. Similarly, where information on the buyer is not available and Bank 1 reports the dealer as counterparty instead, transactions involving intragroup dealers should not be reported.
- Bank 2 (dealer, placing agent, broker) does not report for MMSR.
- Bank 3, reports the purchase of the CP where Bank 3 reports the issuer as counterparty, but only in case the issuer is a MMSR eligible counterparty.

157. Is an unsecured transaction with a short-term security where the trade is between the reporting agent and the branch of its counterparty reportable? In addition, what would be the correct reporting if the trade is with a subsidiary of the counterparty?

Eurosystem reply: Both transactions must be reported – in the first case the counterparty is identified via its LEI code because the branch and the HQ comprise the same legal entity; in the second case, the counterparty must be identified via its own LEI code because it is a separate legal entity.

158. 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.

159. LMA-based lending: Would LMA- based lending or any non-LMA documented lending transaction which is otherwise similar in nature to the one documented under LMA fall within the scope of MMSR?

For example, a corporate obtains a loan from a reporting agent under LMA documentation. If the same type of loan is obtained by an SME and, for whatever reason, it is not documented under LMA – for instance, because of the simplicity of the facility, etc. – would that non-LMA documented loan be reportable?

Eurosystem reply: The reporting agents should report unsecured lending only if conducted with other credit institutions, irrespective of the documentation, master contract template or facility agreement used (whether Loan Market Association agreements or not). To this extent, unsecured lending to NFCs should not be reported. In the example above, both transactions should NOT be reported because they represent an unsecured lending to an entity other than a credit institution.

160. A reporting agent offers special programmes for private households (e.g. education, start-up) or NFCs (e.g. founding, innovation, energy efficiency). These loans are partly distributed via other credit institutions (e.g. credit institution A) to the respective counterparty (e.g. counterparty A). Therefore, credit institution A books two loans – one with the reporting agent and another with counterparty A. Should the loan between the reporting agent and credit institution A be reported? The interest rate of this loan would be expected to be higher than "normal" interbank loans, but lower than "normal" conditions for loans to households/NFCs.

Eurosystem reply: Yes, this should be reported as this is interbank activity and has to be reported as long as operations have a maturity < 397 days post-settlement date; however, the loan to counterparty A (client activity) does not need to be reported.

161. Regarding the reporting of a call account product with a notice period of 31 calendar days, should the call account be reported daily with a maturity of T+1 and the notice period of 31 days? For example:

File for TRADE DATE/ SETTLEMENT DATE/ MATURITY DATE/ NOTICE PERIOD

07.03.2016 / 07.03.2016 / 08.03.2016 / 31
08.03.2016 / 08.03.2016 / 09.03.2016 / 31
09.03.2016 / 09.03.2016 / 10.03.2016 / 31

Or should a maturity date of T+31 be reported? For example:

File for TRADE DATE/ SETTLEMENT DATE/ MATURITY DATE/ NOTICE PERIOD

07.03.2016 07.03.2016 07.03.2016 07.04.2016

08.03.2016 08.03.2016 08.03.2016 08.04.2016

09.03.2016 09.03.2016 09.03.2016 09.04.2016

Eurosystem reply: Both options are incorrect. The maturity should take into account the applicable notice period.

It should be reported as follows:

File for TRADE DATE/ SETTLEMENT DATE/ MATURITY DATE

07.03.2016 07.03.2016 07.04.2016

08.03.2016 08.03.2016 08.04.2016

09.03.2016 09.03.2016 09.04.2016

According to the reporting instructions, the field “Call/Put” must not be reported. The Maturity Date reflects the applicable notice period.

162. A reporting agent grants loans with a maturity longer than 1 year to banks in order to provide funds to the economy under certain conditions, e.g. in case of natural disasters. These loans are granted reportedly at prevailing market rates.

Against this background, should the above loans be reported if they have shorter maturities?

Eurosystem reply: If these loans fall within the reportable instruments defined in the Reporting Instructions, they need to be reported, e.g. lending to other credit institution with a maturity of up to 397 days via unsecured deposits, call accounts or the purchase of securities.

163. Should a redeemable (with or without a penalty) deposit with an original maturity of more than 397 days with a notice of one day be reported?

Eurosystem reply: Please note that as the original maturity of such unsecured transactions is more than 397 days after the settlement date, this transaction should not be reported. Regarding transactions on the secured segment, please refer to Q&A no. 148.

164. 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.

165. Syndicated loans, when viewed as a product, are not normally associated with the issuance of securities but with the granting of loans. But if a loan is granted to, for example, a non-financial corporation and that loan is too big for one credit institution to provide, a second and/or third credit institution may step in as well. Each credit institution would then be involved in the counterparty risk. If the entire amount of the loan is booked

between one credit institution and the client, then interbank transactions would exist between credit institution 2 and/or 3 and credit institution 1. Would these transactions fall within the scope of MMSR? (The transaction between credit institution 1 and the client would only be reported if the client is a credit institution as well.)

Eurosystem reply: If there is an interbank transaction, it has to be reported. Any part of a transaction that is not an interbank transaction is outside the scope. As with all other products, a reporting should take place if a transaction is conducted with MMSR-eligible counterparties.

166. Regarding syndicated loans, it is possible that the composition of the syndicate could change, i.e. one bank steps out and another bank steps in without a change of the general contract. Should this be treated analogously to novations (trade date = day of stepping in, reporting of NEWT by the stepping-in-party and settlement date = start date of the original contract)?

Eurosystem reply: Such a change in the composition of the syndicate should indeed be treated as a novation.

In that respect, please note that in order to accommodate the reporting of novations of syndicated loans and other products as e.g. novated deposits which could let to Start/Value/Settlement Date prior to the Trade Date, for all segments the severity level of the respective DQ checks is set to a warning only.

167. 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.

168. Should the accounts “on behalf of someone else” be reported under MMSR in case the account is in the name of a reportable sector, but the third party (i.e. the “someone”) belongs to a non-reportable sector? For example, a non-financial corporation has an account on behalf of a private household (the intended purpose of which might be to save some money for future renovation of a house that the private household owns although in general the purpose does not matter).

Eurosystem reply: This type of deal is MMSR-eligible, as indeed the purpose of the transaction is not relevant, while these transactions provide a form of funding to the reporting agent – i.e. if an NFC has a deposit or a call account transaction with a reporting agent. Whether another entity has a claim on that money is or why the transaction is conducted is not relevant.

169. A reporting agent has a fixed maturity unsecured deposit with several fixing dates during the lifetime of the operation. Should this product be reported

i) as a unique operation, in which case what rate should be reported? Or

ii) as different operations, one for each fixing date?

Eurosystem reply: The reporting agent should report only the operation with its initial rate. Any further repricing is considered as a type of life-cycle event and therefore will not be reported.

4.2.2 How to report… - Unsecured Segment

No.	Instrument or information	Description
1	Bank issues with implicit optionality	Call/put options and the respective call/put dates/notice periods need to be reported; The settlement price should be reported net of the option value.
2	Negotiable certificate of deposit (variable interest rate)	This type of instrument should be reported as a floating rate note (FRN).
3	Negotiable certificate of deposit (fixed rate)	Fixed rate negotiable certificates of deposit should be reported as a "Certificate of Deposit" (code list instrument type: CEOD).
4	Shares quoted per unit	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).
5	Increases or decreases in a deposit's balance	It depends. Three cases can be distinguished: 1) 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; 2) 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; 3) 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.
6	Partial unwinds of deposits[3]	The reporting agent should not report the partial unwind of the deposit as this is an early repayment (i.e. a life-cycle event) and not a termination caused by erroneous reporting or renegotiation.
7	Deposits with option of reimbursement	Fixed-term deposits that can be cancelled at any point in time without a notice period, providing the counterparty with the option to reimburse the deposit subject to a penalty payment are considered as callable/puttable instruments and are therefore reported by including the FIRST CALL/PUT DATE field indicating the earliest date that the deposit can be reimbursed.
8	Promissory notes	Promissory note loans should be reported as other short-term security (with the applicable code OTHR), allowing their Deal Price to be correctly and fully reflected in the reporting.

[3] For example, if there is a deposit with an initial nominal amount of EUR 1 million (previously reported as NEWT) and a partial unwind of EUR 300,000 takes place before the maturity date of the deposit, leaving a EUR 700,000 deposit still live?

9	Deposits with open maturity and with a notice period	Deposits with open maturity and with a notice period are reported analogous to call and saving accounts regardless of the contractual denomination of the financial product.
NEW 10	Deal rate for unsecured debt instruments	In the case of debt instruments (including i.a. commercial paper and certificates of deposit, see the table in Section 4.1 of the MMSR Reporting Instructions), the Deal Rate to be reported is the effective interest rate, expressed in accordance with the ACT/360 money market convention, at which the instrument was issued or purchased. The Deal Rate to be reported is therefore given by the yield to maturity based on actual cash flows (as opposed to the nominal coupon rate). The actual cash flows include both the interest received based on the coupon as well as any discount/disagio (i.e. cases in which the Transaction Deal Price/dirty price is not 100). The Deal Rate to be reported can be calculated from the discount (in % and annualised) and the annualised rate from the coupon, as illustrated in the following example for a simple case of only one payment in one year: • **Discount Percentage =** Discount/Face Value The purchase price can be expressed as: • **Purchase Price =** Face Value * (1 - Discount Percentage) And the yield for the single-period scenario becomes: • **Y =** (Face Value (1 + Annual Interest Rate) / (Face Value (1 - Discount Percentage))) – 1 This simplifies to: • **Y =** ((1 + Annual Interest Rate) / (1 - Discount Percentage)) – 1 **Example:** • Face Value = EUR 1000 • Annual Interest Rate = 5% = 0.05 • Discount/disagio = EUR 100 • **Calculated discount percentage:** (EUR 100 / EUR 1000) = 0.10 or 10% • **Calculated yield to maturity:** Y = ((1 + 0.05) / (1 - 0.10)) – 1 = (1.05 / 0.9) - 1 ≈ 0.1667, or 16.67%.
NEW 11	Negotiable European Commercial Paper - NEU CP	This type of instrument should be reported under Instrument Type commercial paper (COPR).

4.3 FX swaps market segment

4.3.1 Questions on the FX swaps segment

170. 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 recognise multi-leg transactions?

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

171. 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 should 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.

172. Can it be assumed that for the FX Swap segment only transactions with currencies (other than euro) should be reported and not with precious metals such as gold? In the Reporting Instructions, it is stated that "FX swap transactions ... in which euro are bought or sold spot against a foreign currency..." need to be reported. In the ISO code list (ISO 4217), both currencies and precious metals are included.

Eurosystem reply: All currencies with a relevant ISO code are subject to MMSR requirements. As regards FX swaps, precious metals having such ISO currency codes are therefore relevant and should be reported by banks. Precious metals as commodities should also be reported for secured transactions, using CFI codes (ISO 10962) where appropriate.

173. In the case of FX swaps, are take ups or rollovers within the scope for reporting? If take ups or rollovers result in the creation of a swap, should this be reported as a NEWT transaction? For example, if there is an FX Forward, and a take up or rollover occurs, the outcome would be reflected via a swap (one leg to cancel out the original forward and one leg for whatever the new terms would be). This new swap would be related to the changing of the terms of an FX forward, which itself would be outside the scope.

Eurosystem reply: An FX swap is the combination of a spot and a forward FX operation (or of two forward transactions: for example, one forward with T+2 settlement and one forward with T+90 settlement, that at the moment of negotiation are bundled together for economic reasons – for example, in order to hedge or swap financing costs).

FX swaps created indirectly via later amendments of forwards should not be reported. Forwards alone are not part of MMSR; therefore, if one forward gets amended via an FX swap transaction this should not be reported either. Otherwise, forwards that are not part of an FX swap would become subject to reporting, which is not the intention.

174. UTI: as FX swaps have two legs, consequently there can be two UTIs. Could you please specify which UTI should be reported – the near or the far leg UTI?

Eurosystem reply: According to the requirements of ESMA for reporting derivatives under EMIR (see ESMA Q&A on EMIR implementation, TR Question 49), an FX swap should be reported with only one UTI, and this UTI should also be reported for MMSR. In case the two legs of the operation have specific different UTIs, the UTI of the far leg should be reported.

175. 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.

176. **Updated:** 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.

For example, in the case of the foreign exchange rate between the Euro and the British pound on 9 January 2026, the reported foreign exchange rate would be 0.867 (GBP for 1 EUR), and it would be erroneous to report 1.1525 (EUR for 1 GBP).

177. **Updated:** Foreign Exchange Forward Points: How 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. Both the forward and the spot rate are defined as the number of foreign currency units per 1 euro.

178. Will the currency CNH be accepted on the Transactional Module, given that this is not ISO 4217?

CHINA Yuan Renminbi: CNY
CHINA RMB off-shore: CNH

Eurosystem reply: The currency code CNH will not be accepted, as it is not an ISO code. Banks with business in off-shore RMB should report this in CNY.

179. Is it necessary to report an FX Forward-Forward Swap, given in the example trade below, and, if yes, how?

1. Do Forward-Forward Swaps require reporting (as some may argue that these are 2 FX-Forwards)?

2. If so, how should the “Spot rate” be populated for the near leg (spot rate or the spot rate + forward points)?

Near leg:	Far leg:
Trade date=1-1-2016	
Spot date=3-1-2016	
Settlement date=17-1-2016	Settlement date=1-3-2016

Buy Curr1=EUR, Amount=15556450.730 Sell Curr2=HKD, Amount=133000000.000 Spot Rate=8.54927 Forward points=2.38	Sell Curr1=EUR, Amount=15550604.820 Buy Curr2=HKD, Amount=133000000.000 Rate=8.552722000 Forward points=34.52

Eurosystem reply:

1. We confirm that the Forward-Forward Swaps have to be reported.
2. The spot EUR amount to be reported is 15556450.730 while the reported spot rate is adjusted to 8.549508, i.e. it is calculated as spot rate + FWD points of the near leg (8.54927 + 0.000238 = 8.549508). For the far leg, the reported foreign exchange forward points are 32.14, i.e. forward points of the far leg minus forward points of the near leg.

180. A reporting agent deals FX Swap trades where the maturity date is the same as the value date. However, the data quality check DQF902 “VALUE DATE [VALUE DATE value] is on or after MATURITY DATE [MATURITY DATE value]” will be triggered. How should the reporting agent report these transactions?

Eurosystem reply: We consider FX swaps as SPOT vs FW transaction represented as one deal made up of 2 FX transactions: one with Currency 1 sold versus EUR with a certain delivery date (usually T+2, called value date); the second one where Currency 1 is repurchased at a later date (called Maturity Date, for example 3 months after the value date). Therefore, we do not see how it would be possible to have a deal constructed/conducted in a way that the Value and the Maturity Date are on the same day.

4.3.2 How to report… - FX swaps segment

No.	Instrument or information	Description
1	Forward starting trades	Forward starting trades must always be reported on the trade date.
2	Initial and variation margin	This information should not be provided.
3	Overnight versus tom-next EUR currency transactions	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.
NEW 4	Novation of only the far leg of an FX swap	Bank A first executes an FX Swap trade with Bank X. The new FX Swap is reported to MMSR indicating Bank X as counterparty. One week later, Bank A then novates only the far leg of the FX Swap from Bank X to Bank Y. This novation is reported to MMSR following the rules set out in Section 2.2.7 of the MMSR Reporting Instructions. While in this example the novation only applies to the far leg, the novation is reported as a new transaction with novation flag and Related PTI, and indicating the new counterparty (Bank Y).

4.4 Overnight index swaps segment

4.4.1 Questions on the overnight index swaps segment

181. Is it correct, that in the OIS market segment only €STR 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 €STR is reported? If so, how should it be reported, because the field for the second interest rate is called "fixed interest rate" and also in the description only fixed rates are mentioned?

Eurosystem reply: Only euro short-term rate (€STR) against a fixed interest rate should be reported.

182. **Updated:** Regarding the closing of OIS transactions by concluding an offsetting transaction, should the respective offsetting transactions (i.e. of portfolio transfers or to close cleared transactions) against CCPs be reported, irrespective of whether they might offset with the original transaction at the end of the day or not.

Eurosystem reply: In general, offsetting transactions are included in the reporting, since they fulfil all criteria of the reporting requirements, irrespective of whether they will be offset at the end of the day.

Example:

- Initial OIS transaction A: Between Client and Bank RA, with Bank RA in the role of clearing broker
- Initial OIS transaction B: Between Bank RA and CCP Eurex --> clearing

2 years later...

- The Client wants to replace Bank RA with Bank XY as clearing broker. Bank RA enters into the following offsetting transactions:
    - Offsetting OIS transaction C (inverse of trade A)
    - Offsetting OIS transaction D (inverse of trade B).

After both transactions C and D have been settled, transactions A, B, C and D are jointly terminated/closed on the same day on which the offsetting transactions are traded. At the end of the day, none of the initial and offsetting transactions remain in the portfolio of Bank RA. In this example, both the initial transactions and offsetting transactions C and D must be reported by Bank RA.

Offsetting transactions are usually agreed with a Start Date on the same date as the initial transaction. In particular, the Start Date represents the date from which the overnight rate applicable to the floating leg starts to accrue, and is not to be confused with the date on which the unwinding is executed/booked.

183. Please see the following example:

Trade Date: 25.04.2016
Start Date: 27.04.2016
Maturity Date: 15.06.2016

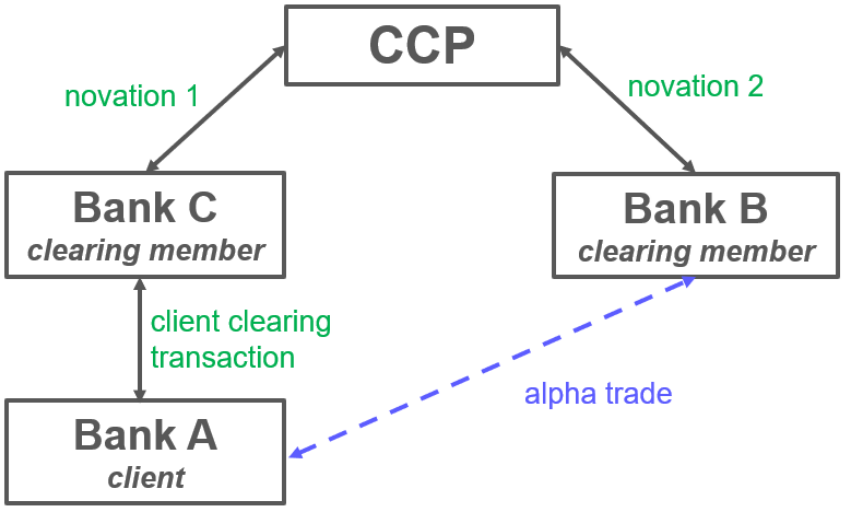
Should the START DATE field for this example be filled with the static value of "27.04.2016" for the duration of the deal? Where an OIS trade has a runtime of longer than one day, do we need to adjust the START DATE daily for the MMSR message (as the START DATE refers to the €STR computing period which changes on a daily basis)?

Eurosystem reply: In the example provided the START DATE should indeed be reported with the value "27.04.2016". In the case of an OIS transaction with a maturity longer than overnight, the reporting does not need to be adjusted – i.e. this particular trade should not be reported repeatedly each day until maturity.

184. **NEW:** Could you please clarify how to report OIS transactions related to client clearing?

Eurosystem reply: Cleared transactions (including client clearing) must be included in the reporting, since due to the nature of central clearing the clearing member acts as a principal in the two distinct transactions, i.e. the transaction with the CCP and the transaction with the client.[4] Both the transaction with the CCP and the transaction with the client are reported. The following example serves to illustrate the reporting requirements of the different entities, assuming that they are all MMSR reporting agents.

Bank A and Bank B enter into an original bilateral OIS transaction (also referred to as the 'alpha trade'). While Bank B is a CCP member, Bank A is not and it clears the transaction indirectly via Bank C.



[4] Further information on reporting where client clearing takes place under the agency-trustee model is provided in Question 7.

1) Where the clearing takes place on the same day as the original bilateral OIS transaction ('alpha trade') and for reporting agents submitting only one single file per day, the following transactions must be reported:

   - Bank A reports the client clearing transaction with Bank C (i.e. the clearing member/broker), but does **not** report a transaction with the CCP. (Bank A does not enter into a transaction with the CCP itself and clients do not report transactions entered into by other entities with the CCP)
   - Bank B reports novation 2 with the CCP
   - Bank C reports both the client clearing transaction with Bank A and novation 1 with the CCP

   Where Bank C (instead of Bank B) is both the initial counterparty of Bank A's original bilateral OIS transaction ('alpha trade') and also provides clearing services for Bank A, Bank C would also report novation 2 with the CCP (i.e. in this case Bank C would report all transactions that would otherwise have been reported by Bank B).

   Reporting agents submitting multiple files per day (tick-by-tick reporters) first report the original bilateral OIS transaction ('alpha trade') and cancel it following the clearing, and then report the novated transactions following the rules set out in Section 2.2.7 of the MMSR Reporting Instructions.

2) Where the clearing takes place at least one day after the original bilateral OIS transaction ('alpha trade'), the following transactions must be reported for the day of the original bilateral OIS transaction ('alpha trade'), both by reporting agents submitting only one single file per day and by tick-by-tick reporters:

   - Bank A reports the original bilateral OIS transaction ('alpha trade') with Bank B
   - Bank B reports the original bilateral OIS transaction ('alpha trade') with Bank A
   - Bank C: no reporting

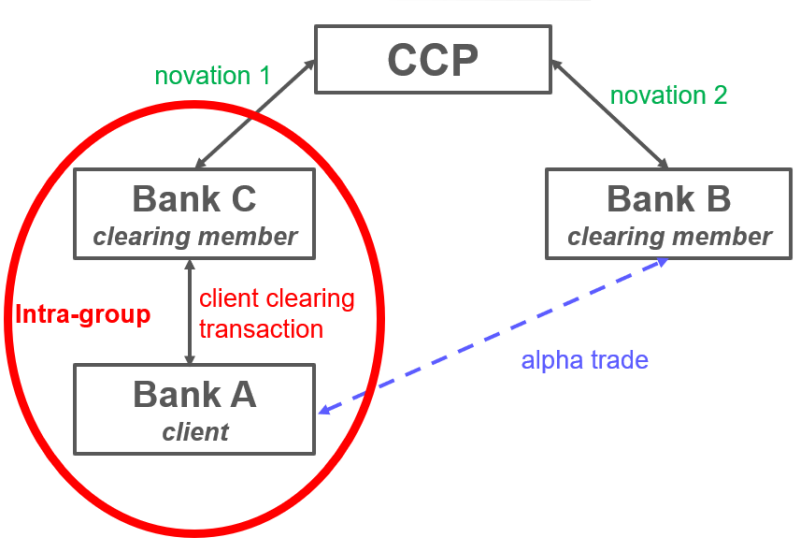
Once the clearing has taken place, the client clearing transaction between the client and the clearing member/broker is reported by Bank A and Bank C, and the novated transactions with the CCP are reported as set out under 1) above, following the rules detailed in Section 2.2.7 of the MMSR Reporting Instructions.

185. **NEW:** Intragroup transactions between different entities of the same group can take place in the context of the clearing of OIS transactions. Which transactions should be reported in this case?

Eurosystem reply: In general, the exclusion of intragroup transactions also applies to transactions related to client clearing.

The following example serves to illustrate the reporting requirements of the different entities, assuming that they are all MMSR reporting agents.

Bank A and Bank B enter into a original bilateral OIS transaction ('alpha trade'). While Bank B is a CCP member, Bank A is not and it clears the transaction indirectly via Bank C. Banks A and C are part of the same group and transactions between them are classified as intragroup transactions according to the MMSR Regulation, and do not therefore fall under the scope of MMSR.



In this case the following transactions have to be reported:

Bank A:

- reports the original bilateral OIS transaction ('alpha trade') with Bank B, but only where the clearing takes place at least one day after the original bilateral OIS transaction ('alpha trade');
- does **not report** either the client clearing transaction with Bank C (as it is intragroup), or a transaction with the CCP (Bank A does not enter into a transaction with the CCP itself, and clients do not report transactions entered into by other entities with the CCP).

Bank B:

- reports novation 2 with the CCP;
- reports the original bilateral OIS transaction ('alpha trade') with Bank A, but only where the clearing takes place at least one day after the original bilateral OIS transaction ('alpha trade').

Bank C

- reports novation 1 with the CCP;
- does **not report** the client clearing transaction with Bank A (as it is intragroup).

186. **NEW:** In the context of the clearing of OIS transactions there can be intragroup transactions between different entities of the same group, which are later cleared by a CCP. Should the cleared transactions with the CCP be reported in this case?

If two banks are classified as intragroup according to the MMSR Regulation, any transactions between them are considered intragroup and do not fall under the scope of MMSR. However, if the original bilateral OIS intragroup transactions ('alpha trades') are later cleared by a CCP, the resulting transactions between the banks and the CCP do fall under the scope of MMSR (not intragroup).

4.4.2 How to report… Overnight index swaps segment

No.	Instrument or information	Description
Updated 1	Upfront payments and fees for the OIS segment	The Fixed Interest Rate has to be reported as agreed with the counterparty, also in the case of OIS transactions with upfront payments or in which the fixed interest rate includes fees. Information on the upfront payment and/or fee is not reported separately to MMSR. Interest rate swaps in which the fixed interest rate is exchanged against "a variable overnight interest rate (€STR) plus a spread" are not reported.