

A#:	9137
P&S:	8710
Date:	05/16/2022
To:	ALL PARTICIPANTS
From:	PRODUCT MANAGEMENT, EQUITIES CLEARANCE
Attention:	MANAGING PARTNER/OFFICER; OPERATIONS PARTNER/OFFICER; MANAGER P&S DEPARTMENT; MANAGER DATA PROCESSING; CASHIER
Subject:	ETF PCF CYCLE EXPANSION

This is the official notice of an upcoming change that will impact the frequency and timing of the ETF Portfolio Composition File (PCF) primary cycle. Currently, transmission of the PCF primary cycle occurs once per day at approximately 10 pm et even though the deadline is currently 8PM. With the increase in volume, the ability for some agents to meet current submission deadlines has become more challenging. The request for extensions has become a regular event resulting in later and later PCF distributions. In response to this reoccurring issue, ETF participants in collaboration with NSCC have developed a solution that would accommodate the acceptance of late submissions without delaying already submitted (on-time) PCF transmissions.

To meet this industry need, NSCC will introduce a new secondary cycle that will follow the existing primary cycle (PCF Production File 11301). The existing supplemental cycle will then follow the secondary cycle. The primary cycle will have a hard submission cutoff of 9pm et, which will allow PCF output file distribution at approximately 9:30 pm (Production Autoroute file 02261256). For late submissions, a secondary cycle will be added with a hard submission cutoff of 10:30 pm et, which will allow PCF output distribution at approximately 11:00 pm et. Any PCF submitted after 10:30 pm will be held until 12:30 am and distributed in the near real time supplemental file for those firms subscribed or distributed at 12:30 pm at the end of the supplemental cycle for firms not subscribed to the near real-time file. Once this enhancement is implemented, NSCC will no longer grant PCF extension requests!

All applicable documentation will be updated with new PCF cycle changes. See [DTCC Learning Center](#) for all ETF documents.

Scheduled Launch:

PSE/ Test Region – Friday, May 27, 2022 – First evening that PSE will distribute a primary and secondary cycle.

Production Date - TBD – second important notice will be published to announce production date.

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Enhancement:

NSCC has reviewed this enhancement at the recent ETF Industry Working Group and has requested that the ETF Agents submit PCF input files in the PSE region in both primary cycles to provide test data. Receivers of the PCF output file made adjustments to handle multiple cycles with the multiple basket PCF enhancement in 2020, yet firms can arrange for updates by contacting NSCCIntegration@DTCC.com

ETF Enhanced Consolidated Portfolio Composition File (PCF)	SYSID	Primary Cycle Numbers	Input (ET)	Output by: (estimated ET)
PSE (Test)	02981256	01-Primary 03 – Secondary	2:30 pm – 5:30 pm 5:30 pm - 6:30 pm *Negotiated Deadline is 5pm in PSE	6:00 pm 7:00 pm
Production	02261256	01 - Primary 03- Secondary	2:00 pm - 9:00 pm 9:00 pm - 10:30 pm	9:30 pm 11:00 pm

Note the Cycle Changes above.

Primary Cycle will continue to be 01

Supplemental Cycle will continue to be 02

New secondary cycle will be 03

Negotiated Cycles will begin with cycle 04.

For both primary and secondary cycles, P will remain as the beginning value of the file identifier field on the 01-Header Record for the 1256 file. S will remain the value on the supplemental 1256 and near-real-time 2335.

For questions, contact your DTCC Relationship Manager or the undersigned at Peterjsmith@dtcc.com.

Peter Smith, Equity Clearing Product Management