

**#:** **MS # 51**  
**Date:** May 18, 2010  
**To:** Distribution  
**From:** MarkitSERV Product Management - Rates  
**Subject:** MarkitSERV DSMatch Rates - Maintenance Release

At the close of business (NY) on Thursday, May 20, 2010, there will be a MarkitSERV DSMatch Rates release during which various enhancements will be moved into production for Interest Rate products. This notice refers to product enhancements. A separate notice will be issued for updates specific to the MarkitSERV Operating Procedures as related to these enhancements.

### **CNY-CNREPOFIX=CFXS-Reuters**

- A new Floating Rate Option CNY-CNREPOFIX=CFXS-Reuters will be added, the defaults will be as per the existing CNY Floating Rate Options. Also language will be added to incorporate the ISDA "CNY 7-Repo Compounding Date" into trades with a Floating Rate Option of CNY-CNREPOFIX=CFXS-Reuters and a Floating Rate Calculation Period Frequency is 7 days or one week. See the legal important notice for further details.

### **Default Master Agreement Date (01/01/1960)**

- Additional wording will be added to the operating procedures to support the OPTIONAL use of a default Master Agreement Date of 01/01/1960. This has the meaning that the latest applicable master agreement between the two parties will apply. See the legal important notice for further details.

### **Swaption Premium Payment Date Adjustment**

- Additional wording will be added to the operating procedures to cover the adjustment of the Swaption Premium Payment Date in the event that the adjusted date specified is not a good business day. See the legal important notice for further details.

### **RUB-MOSPRIME-NFEA**

- Additional wording will be added to the operating procedures to incorporate the ISDA RUB fallbacks for RUB-MOSPRIME-NFEA trades that are confirmed as deliverable. See the legal important notice for further details.

### **Default changes – Interest Rate Swaps and Swaptions**

A series of default changes have been agreed by the working group to bring the DSMatch defaults into line with market practice.

- Early Termination (ETC) Cash Settlement Payment Date Business Days (DA) should match the swap's Payment Business Days. The following Floating Rate Options are being updated.
  - AUD-LIBOR-BBA
  - CNY-CFXSREPOFIX01-Reuters
  - CNY-DEPO-PBOC
  - CZK-PRIBOR-PRBO
  - HUF-BUBOR-Reuters
  - INR-MIFOR
  - KRW-CD-3220
  - KRW-CD-KSDA-Bloomberg
  - PHP-PHIREF-Reuters
  - PLZ-WIBOR-WIBO / PLN-WIBOR-WIBO
  - SKK-BRIBOR-Bloomberg
  - SKK-BRIBOR-NBSK07

- TWD-Telerate-6165TWD-Reuters-6165
  - TRY-TRYIBOR-Reuters
  - USD-S&P Index-High Grade
  - ZAR-JIBAR-SAFEX
  - INR-MIBOR-OIS-COMPOUND
  - INR-MITOR-OIS-COMPOUND
  - JPY-TONA-OIS-COMPOUND
- Swaption Cash Settlement Payment Date Business Days. All Floating Rate Options that are by default non-deliverable and are settled in USD should include USNY in the Swaption Cash Settlement Payment Date Business Days (DN) as the trades have to settle on a good New York business day if they are being delivered in USD. The following Floating Rate Options are being updated.
    - CNY-CFXSREPOFIX01-Reuters
    - CNY-DEPO-PBOC
    - INR-MIFOR
    - KRW-CD-3220
    - KRW-CD-KSDA-Bloomberg
    - PHP-PHIREF-Reuters
    - THB-SOR-Reuters
    - THB-THBFIX-Reuters
    - TWD-Telerate-6165 / TWD-Reuters-6165
    - INR-MIBOR-OIS-COMPOUND
    - INR-MITOR-OIS-COMPOUND
- ETC Cash settlement Currency – several non-deliverable Floating Rate Options had the reference currency rather than the settlement currency (USD) specified. The following Floating Rate Options are being updated.
    - KRW-CD-KSDA-Bloomberg
    - MYR-KLIBOR-BNM
    - TWD-Telerate-6165 / TWD-Reuters-6165
- Swaption Cash settlement Currency – several non-deliverable Floating Rate Options had the reference currency rather than the settlement currency (USD) specified as the Swaption Cash settlement Currency. The following Floating Rate Options are being updated.
    - KRW-CD-3220
    - KRW-CD-KSDA-Bloomberg
    - MYR-KLIBOR-BNM
    - PHP-PHIREF-Reuters
    - TWD-Telerate-6165 / TWD-Reuters-6165
- The non-deliverable Settlement Rate Option for PHP-PHIREF-Reuters is being changed to PHP.PDSPESO/PHP06 as per the "ISDA Non-Deliverable Swap Transaction Fallback Matrix (Oct 19 2009)".
  - PHP-PHIREF-Reuters had an incorrect Early Termination (ETC) Exercise Time Business Days (CR) [typo NZWE] and will be changed to PHMA.
  - CNY-DEPO-PBOC & CNY-CFXSREPOFIX01-Reuters; Swaption Valuation Time is being changed to 11:00am per the ISDA Matrix.
  - DKK-CIBOR2-DKNA13 Floating Leg Initial Fixing Business Days (CD) & Floating Leg Fixing Business Days (CG) should both be DKCO per the 2006 ISDA Definitions.

- JPY-TONA-OIS-COMPOUND - Swaption Cash Settlement Payment Date Business Days (DN) are being changed to JPTO to match the ISDA Settlement Matrix.
- ZAR-JIBAR-SAFEX - Swaption Cash Settlement Payment Date Business Days (DN) are being changed to ZAJO to match the ISDA Settlement Matrix.

### Default changes – Caps and Floors

A series of default changes have been agreed by the working group to bring the DSMatch defaults into line with market practice.

- The default for Floating Leg Fixing Business Days (AY) will be change to be blank for Floating Rate Options where the Floating Leg Fixing Lag has a default is zero; this is to be consistent with the IRS and SPT defaults. The following Floating Rate Options are being updated.
  - AUD-BBR-BBSW
  - DKK-CIBOR-DKNA13
  - GBP CMS10-CMS2
  - GBP CMS20-CMS2
  - GBP CMS30-CMS2
  - GBP CMS30-CMS10
  - GBP-LIBOR-BBA
  - HKD-HIBOR-HKAB
  - NZD-BBR-FRA
  - ZAR-JIBAR-SAFEX
- Early Termination (ETC) Cash Settlement Payment Date Business Days (CS) should match the swap's Payment Business Days. The following Floating Rate Options are being updated.
  - AUD-LIBOR-BBA
  - CHF-LIBOR-BBA
  - CZK-PRIBOR-PRBO
  - HUF-BUBOR-Reuters
  - PLZ-WIBOR-WIBO / PLN-WIBOR-WIBO
  - SKK-BRIBOR-Bloomberg
  - SKK-BRIBOR-NBSK07
  - ZAR-JIBAR-SAFEX

### Default changes – Inflation Swaps

- JPY-CPI-EXF - Inflation Leg Index Source is being changed to JCPNJGBI as this is the rebased index now in use.

For DSMatch rates product information including the latest specifications which incorporate these changes, please go to [http://www.dtcc.com/products/derivserv/members/trade\\_confirm\\_rates.php](http://www.dtcc.com/products/derivserv/members/trade_confirm_rates.php)

The DSMatch rates operating procedures are available at <http://www.dtcc.com/customer/membership/derivserv/derivserv.php>.

Please be advised that the MarkitSERV DSMatch rates system will be unavailable from approximately 7:00 p.m. to 11:00 p.m. NY time.

Any questions or comments regarding this Important Notice or MarkitSERV in general should be directed to your MarkitSERV Client Account representative [CAG@MarkitSERV.com](mailto:CAG@MarkitSERV.com) or:

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