

The Depository Trust & Clearing Corporation

CTM™ FOR REPOs

Automate your post-trade processing for repurchase agreements (repos)

OVERVIEW

For trades agreed between the buy and sell side, current processing for repos is largely manual. Manual confirmation increases cost and risk. The CTM service allows investment managers and brokers to automate their repo trade block and confirmation processing in a solution that supports industry best practices.

This CTM functionality provides clients the ability to match buy/sell-back and single security bilateral repos. Workflows and matching fields cater to repo specific trade processing activities.

The CTM trade counterparties can match trade fundamentals for the open and close legs of repo agreements on trade date using a single trade ticket, ensuring the terms of the deal are clear to both parties. The CTM platform also supports subsequent changes to repo trades – if necessary – by keeping an open repo trade available for re-matching.

KEY BENEFITS

- Single ticket matching model where open and close legs of the agreement are matched on trade date.
- Support for block and allocation/confirmation matching.
- Flexibility to match open and term repos in a central matching system.
- Trade data changes tracked as part of a single post trade agreement.
- Single matching platform across asset classes.
- Settlement location (PSET & PSAF) exchange.
- Reporting information exchange (UTI, LEI, etc).

FUNCTIONALITY

- Support for buy/sell-back and single security bilateral repos.
- Open and close leg matching.
- Open and term repo matching.
- Cross currency trades.
- Settlement instruction data matching.
- Repo agreement term date processing.
- New trade management messages and matching fields.
- SSI enrichment via the ALERT® service

WHY CHOOSE THE CTM SERVICE?

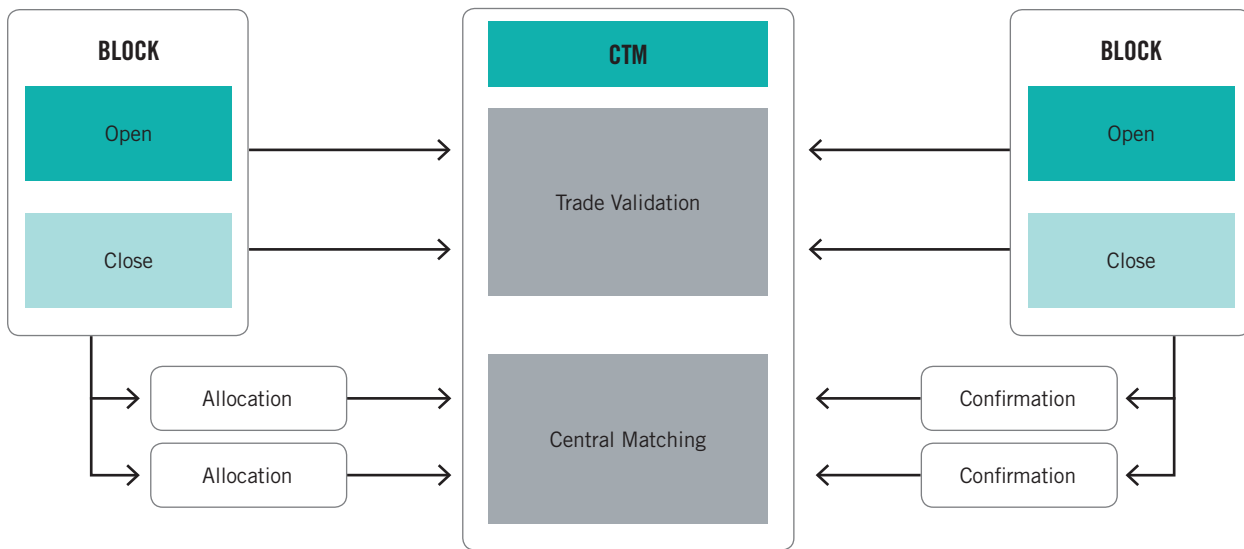
The global CTM platform for the central matching of cross-border and domestic transactions automates the trade confirmation process across multiple asset classes. Given today's challenging economic environment, trade participants have never been under greater pressure to lower cost and increase operational efficiency. We provide solutions that not only process trades faster, but process trades better. Industry experts agree that central matching is the most efficient way to streamline trade flows and achieve higher levels of automation.

IMPLEMENTATION

- Clients need to export their repo trades to a message format, they can leverage their existing connectivity or choose a new interface to submit and receive messages.
- Contact us for more information on which partners provide access to the CTM repo functionalities.

HOW THE REPO MATCHING SERVICE WORKS

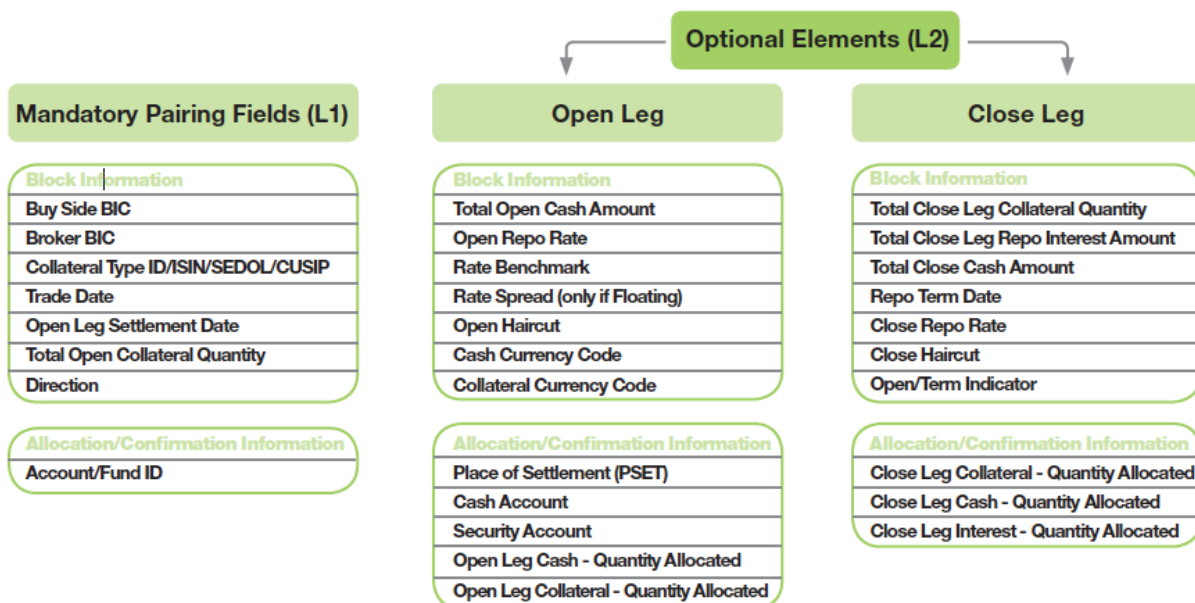
The CTM workflow supports both block and allocation matching. Single allocation repos – often referred to as vanilla repo – may be submitted without a block, and the CTM platform will create the block.



TECHNICAL SCOPE

- Ability to submit repo trades with CSV files via MTI or Direct XML.
- Ability to automate repo trade retrieval with CSV files via MTI or Direct XML polling.
- Ability to cancel a repo Trade.
- Ability to amend a repo Trade.

REPO MATCHING FIELDS



REPO BLOCK DETAIL SCREEN

Reference Information			
IP Master Reference	TL2_DAYS	EB Master Reference	ETL2_DAYS
IP CTM Trade Side ID	3134	EB CTM Trade Side ID	3731

Status Information			
Match Agnd	<input checked="" type="checkbox"/> MAGR	Block Match	<input checked="" type="checkbox"/> MACH
Complete	<input checked="" type="checkbox"/> COMP	Block Status Start Date Time	17-Nov-2013 22:46:58
TL Error Severity		<input type="button" value="View Error(s)"/>	

Block Information					
Field	IM Value	Broker Value	Field	IM Value	Broker Value
TL Assigned Version	4	1	Buy/Sell	BUY1	SELL
Asset Class	RPO	RPO	Total Open Leg Collateral Qty	5,000.00 CAD (FAMT)	5,000.00 CAD (FAMT)
Trade Date	23-Oct-2013	23-Oct-2013	Open Leg Settlement Date	25-Oct-2013	25-Oct-2013
Security ID	Num Agy/Cty Code LOCA US	Num Agy/Cty Code LOCA US	Exec Broker Type/Val	BIC ZYQXTP51XXX	BIC ZYQXTP51XXX
Security Code	200300200	200300200	Exec Broker Name	REPO BKR Org demo 001	REPO BKR Org demo 001
Security Description	GLOBAL SANTA FE CORP COMMON STOCK	GLOBAL SANTA FE CORP COMMON STOCK	Instructing Party Type/Val	BIC ZYQYTP30XXX	BIC ZYQYTP30XXX
			Instructing Party Name	CTM Repos	CTM Repos
			Repo Deal Reference		
			Senders TL Related Reference		

L2 Matching Fields - L2 Matching Profile Name: REPO-DEFAULT							
Field	IM Value	Broker Value	Match	Field	IM Value	Broker Value	Match
Cash Currency Code	USD	USD	<input checked="" type="checkbox"/>	Type of Repo Agreement	BILA	BILA	<input checked="" type="checkbox"/>
Collateral Currency Code	CAD	CAD	<input checked="" type="checkbox"/>	Open/Term Indicator	TERM	TERM	<input checked="" type="checkbox"/>
Call Days	30 90	30 90	<input checked="" type="checkbox"/>	Repo Term Date	02-Nov-2013	02-Nov-2013	<input checked="" type="checkbox"/>

Open Leg L2 Matching Fields				Close Leg L2 Matching Fields			
Field	IM Value	Broker Value	Match	Field	IM Value	Broker Value	Match
Total Open Cash Amt	500.75 USD	500.75 USD	<input checked="" type="checkbox"/>	Total Close Cash Amt	525.15 USD	525.15 USD	<input checked="" type="checkbox"/>
Open Haircut	2.0	2.0	<input checked="" type="checkbox"/>	Close Haircut	105.0	105.0	<input checked="" type="checkbox"/>
Open Repo Rate	7.25 FLOA	7.25 FLOA	<input checked="" type="checkbox"/>	Close Repo Rate	4.25	4.25	<input checked="" type="checkbox"/>
Open Repo Rate Offset	5.0	5.0	<input checked="" type="checkbox"/>	Close Repo Rate Offset			<input checked="" type="checkbox"/>

Block Actions	
<input type="button" value="Amend..."/>	<input type="button" value="Cancel..."/> <input type="button" value="Reject Cancel..."/>
<input type="button" value="Close"/>	

IMPLEMENTATION APPROACHES

Clients can tailor their implementation to their requirements using a variety of options in terms of file formats, messaging interfaces, status tracking and trade management.

Direct messaging supports all trade submission, management and status tracking.

MTI provides a comma separated value (CSV) file-based method of

- submitting blocks and / or allocations to the CTM platform,
- receiving a counterparties' alleged blocks and / or allocations and
- receiving final trade data from the CTM platform.

MTI returns response records for each submitted message.

The CTM trade blotter can be used to perform all management actions, such as amendments, rejections, cancellations of trades. For example a simple implementation could have clients submit repo trades via CSV files, and manage all exceptions via the CTM trade blotter.

FOR MORE INFORMATION

Please email us at solutions@dtcc.com
or visit us on the web at www.dtcc.com/ctm

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