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Via Electronic Submission

Christopher Kirkpatrick
Secretary of the Commission
U.S. Commodity Futures Trading Commission
Three Lafayette Centre
1155 21st Street N.W.
Washington, D.C. 20581

Re: Proposed Amendments to the Commission's Real-Time Public Reporting Requirements (RIN: 3038-AE60)

Proposed Amendments to the Commission's Swap Data Recordkeeping and Reporting Requirements (RIN: 3038-AE31)

Dear Secretary Kirkpatrick:

DTCC Data Repository (U.S.) LLC ("DDR"), a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"), appreciates the opportunity to provide supplementary comments to the Commodity Futures Trading Commission ("CFTC" or the "Commission") on its proposed regulations and technical specifications related to swap data recordkeeping and reporting requirements.¹

On May 22, 2020, DDR submitted comment letters on the CFTC Proposals.² DDR conducted a comparative analysis of the CFTC's proposed technical requirements against the draft technical standards from the European Securities and Markets Authority ("ESMA")³ and the technical guidance from the Committee on Payments and Market Infrastructures and the Board of the International Organization of Securities Commissions ("CPMI-IOSCO").⁴ On the basis of this analysis, DDR believes that there are a number of opportunities for further alignment and harmonization with international technical guidance of the swap data elements that counterparties report to SDRs. Specifically, and as outlined in the Appendix below, DDR identified a number of differences in the description, format and valid values of several fields set forth in the

¹ See Real-Time Public Reporting Requirements, 85 FR 21516 (April 17, 2020) (the "Part 43 Proposal"); Swap Data Recordkeeping and Reporting Requirements, 85 FR 21578 (April 17, 2020) (the "Part 45 Proposal"); and Draft Technical Specifications for Public Comment - Parts 43 and 45 swap reporting and public dissemination requirements (February 20, 2020), available at https://www.cftc.gov/media/3496/DMO_Part43_45TechnicalSpecification022020/download (the "Proposed Tech Specs") (collectively, the "CFTC Proposals").

² See Letters from Katherine Delp, General Manager, DDR, to Christopher Kirkpatrick, Secretary of the Commission, CFTC, available at <https://comments.cftc.gov/PublicComments/CommentList.aspx?id=2984> (collectively, the "DDR Comment Letters"). In these letters, DDR noted that "it may have additional comments as systems and platforms are updated, as market practices evolve, and following changes to regulations or technical specifications in other relevant jurisdictions." This comment letter should be read together with the DDR Comment Letters.

³ ESMA, Technical Standards on Reporting, Data Quality, Data Access and Registration of Trade Repositories under EMIR REFIT (26 March 2020), available at https://www.esma.europa.eu/sites/default/files/library/esma74-362-47_cp_on_the_ts_on_reporting_data_quality_data_access_and_registration_of_trs_under_emir_refit.pdf ("ESMA Draft Standards").

⁴ CPMI-IOSCO, Technical Guidance, Harmonisation of Critical OTC Derivatives Data Elements (other than UTI and UPI) (April 2018), available at <https://www.iosco.org/library/pubdocs/pdf/IOSCOPD598.pdf> ("CDE Guidance").

CFTC Proposals, the CDE Guidance, and the ESMA Draft Standards that, if left unaddressed, may impede progress on achieving the policy goals of data harmonization. This analysis also reinforced the need for a globally consistent and aligned messaging methodology. Of note, DDR identified ten potential data fields that could allow for greater alignment with the CDE Guidance and the ESMA Draft Standards if the CFTC were to adopt ISO 20022 as its messaging methodology. Accordingly, DDR offers the following findings from its analysis in support of the Commission's efforts to establish a swaps reporting regime that adopts global standards and is harmonized with other jurisdictions to the maximum extent practicable.

We appreciate the CFTC's willingness to consider our views and maintain an open dialogue moving forward. Should the Commission or staff wish to discuss this correspondence further, please contact me at (212) 855-4760 or kdelp@dtcc.com.

Sincerely,

A handwritten signature in black ink that reads "Katherine Delp". The signature is written in a cursive, flowing style.

Katherine Delp
General Manager
DTCC Data Repository (U.S.) LLC

Appendix

CFTC Proposed Tech Specs Data Element Information	Discussion
#24 Action Type	<p>Action Type is a key field for processing data. It provides foundational information that ties to and links other data elements. Accordingly, global alignment of this data element is crucial.</p> <ol style="list-style-type: none"> 1. Porting: DDR agrees this should be included but believes further conversation with CFTC and SDRs is warranted to review operational use cases in conjunction with Event Type. 2. Revive: This should be added as an allowable value and guidance should be provided regarding implementation – when “Revive” is used, it should be a full restatement of the trade. 3. Position component: Since Action Type and Event Type are crucial for harmonization and should be added to CDE, allowable values should also be aligned. DDR recommends adding the value of Position Component, especially when considering the reporting of CFDs and Portfolio Swaps.
#25 Event Type	<p>Event Type is a key field for processing data. Similar to “Action Type”, this field provides foundational information that ties to and links other data elements. As such, global alignment of this data element is also crucial.</p> <ol style="list-style-type: none"> 1. CLAL: DDR recommends the existing value of “CLRG” (clearing) to be used for simultaneous clearing and allocation events and value of “CLAL” be removed. 2. Porting: DDR agrees this should be an allowable value but believes further conversation with CFTC and SDRs is warranted to review operational use cases in conjunction with Action Type to establish a consistent approach for reporting Port In and Port Out. 3. Misreporting: Adopt this value to be used in conjunction with existing Action Type of “Error.”
#27 Event Timestamp	<p>DDR believes that cross-jurisdictional harmonization can be achieved if the time component is removed and the data element is renamed to “Event Date.”</p>

<p># 101 Valuation Method</p> <p>#62 Price Notation</p> <p>#66 Spread Notation</p> <p>#69 Strike Price Notation</p> <p>#48 Other Payment Type</p> <p>#43 Package Transaction Price Notation</p>	<p>As discussed in DDR’s May 22, 2020 comment letter on the Part 45 Proposal:</p> <p>The Proposing Release states that CPMI and IOSCO supported the development of an ISO 20022-compliant message for CDE data elements and asks whether the Commission should mandate the ISO 20022 message scheme for SDR reporting. In this regard, DDR notes that ESMA has selected the ISO 20022 methodology for its reporting requirements. DDR remains agnostic as to whether the Commission should mandate a specific messaging methodology for SDR reporting provided that the message type selected defines a trade in a standard way irrespective of where it is going to be reported, with the same fields and same validations. Global consistency in this regard is critical for the harmonization efforts related to the adoption of a critical set of data elements to be fully realized. Absent a globally consistent use of messaging standards, the burdens for regulators, SDRs, and other market participants associated with bespoke and siloed reporting requirements will continue to exist. Accordingly, DDR encourages the Commission to adopt a messaging methodology that is broadly consistent and aligned with the methodology adopted and used in other jurisdictions.</p> <p>If ISO 20022 is adopted as the global reporting standard, DDR believes certain cross-jurisdictional differences will be resolved. For example:</p> <p>Valuation method: ISO 20022 defines 4-character codes, while CFTC proposed technical specification defines 1-character codes. DDR believes 4-character codes are aligned with ISO 20022 convention.</p>
<p>#18 Buyer Identifier</p> <p>#19 Seller Identifier</p> <p>#20 Payer Identifier</p> <p>#21 Receiver Identifier</p>	<p>While the CFTC is following one of the proposed CDE methods of capturing this data, if ISO 20022 is the adopted standard, DDR believes the CDE alternate method of allowing values of “BYER,” “SLLR,” “MAKE,” and “TAKE” will align with the future schema. Following this CDE method may also reduce the risk of erroneous reporting to SDRs by not asking for LEIs to be included in multiple data elements within the same records.</p>
<p>CDE #2.21 Settlement Location</p> <p>CDE #2.29 Collateral Portfolio Indicator</p> <p>CDE #2.38 Variation Margin Posted by the Reporting Counterparty (post-haircut)</p>	<p>Adoption of the CDE fields, as indicated in the Part 45 Proposal, is recommended and will allow for greater cross-jurisdictional harmonization.</p>

<p>CDE #2.41 Variation Margin Collected by the Reporting Counterparty (post-haircut)</p> <p>CDE #2.43 Excess Collateral Posted by the Reporting Counterparty</p> <p>CDE #2.44 Currency of Excess Collateral Posted</p> <p>CDE #2.45 Excess Collateral Collected by the Reporting Counterparty</p> <p>CDE #2.46 Currency of Excess Collateral Collected</p> <p>CDE #2.54.1 Unadjusted Effective Date of the Price</p> <p>CDE #2.54.2 Unadjusted End Date of the Price</p> <p>CDE #2.54.3 Price in Effect Between the Unadjusted Effective and End Date</p> <p>CDE #2.63.1 Effective Price of the Strike Price</p> <p>CDE #2.63.2 End Date of the Strike Price</p> <p>CDE #2.63.3 Strike Price in Effect on Associated Effective Date</p> <p>CDE #2.78.1 Effective Date of the Notional Amount</p> <p>CDE #2.78.2 End Date of the Notional Amount</p> <p>CDE #2.78.3 Notional Amount in Effect on Associated Effective Date</p> <p>CDE #2.93 Package Transaction Spread</p> <p>CDE #2.94 Package Transaction Spread Currency</p> <p>CDE #2.95 Package Transaction Spread Notation</p>	<p>For CDE #2.54.3, #2.63.3 and #2.93 specifically, adoption of CDE and the adoption of the decimal option is recommended.</p>
<p>CDE #2.3 Early Termination Date</p>	<p>While the Part 45 Proposal has two similar fields (#27 Event Timestamp and #25 Event Type), which may derive the confirmation date of the termination, CDE asks for the effective date of the (early) termination. DDR believes adding the specific CDE Early Termination Date would allow for greater transparency into the data and greater cross- jurisdictional harmonization.</p>

<p>#88 Platform Identifier</p>	<p>CFTC adopted this CDE data element one for one. While differences in naming conventions may not cause extensive operational issues, DDR believes the naming convention “Venue of Execution” may be a more appropriate designation for this data element.</p>
<p>#44 Day Count Convention</p> <p>#46 Floating rate reset frequency period</p> <p>#47 Floating rate reset frequency period multiplier</p> <p>#54 Payment Frequency Period</p> <p>#55 Payment Frequency Period Multiplier</p> <p>#58 Fixed Rate</p> <p>#64 Spread</p> <p>#65 Spread Currency</p> <p>#28 Notional Amount</p> <p>#29 Notional Currency</p> <p>#39 Total Notional Quantity</p>	<p>Cross-jurisdictional/CDE alignment can be achieved if these fields are defined per leg, as indicated in the proposed technical specifications.</p>
<p>CDE #2.80.1 Effective Date of the Notional Quantity</p> <p>CDE #2.80.2 End Date of the Notional Quantity</p> <p>CDE #2.80.3 Notional Quantity in Effect on Associated Effective Date</p>	<p>Adoption of these CDE fields, per the Part 45 Proposal, is recommended as they are important details to the trade that should be defined by leg. It is also recommended to review CFTC-specific fields #35 Notional Quantity, #36 Quantity Frequency, and #37 Quantity Frequency Multiplier for potential redundancy and elimination from technical specifications.</p>
<p>#99 Valuation Amount</p>	<p>While this is a CDE field that has been adopted one for one, the current CDE definition allows for different interpretations of the value of the outstanding contract that is expected (<i>i.e.</i> adjusted or unadjusted). DDR believes the regulatory community should agree on a uniform interpretation to avoid cross-jurisdictional reporting discrepancies.</p>
<p>#26 Event Identifier</p>	<p>DDR believes this type of data element should only be used in “many to many” examples of events and questions the inclusion of Credit Events here. If this data element is intended to be used only for “many to many” examples of events, cross-jurisdictional alignment (and potential future CDE inclusion) is recommended and the allowance for Credit Events should be removed.</p>

#10 Clearing Receipt Timestamp	Assuming potential jurisdictional differences in definitions allow for harmonization, DDR believes consideration should be given to changing this data element to “Clearing Timestamp” and requiring the “time and date when clearing took place” as opposed to requiring the “receipt” of the original swap received by the derivatives clearing organization.
#45 Fixing Date	DDR believes Fixing Date is an industry standard that should not be required to be reported at the transaction level given operational complexities introduced by requiring fields not adopted globally. If global consensus is to have this data reported at the transaction level, it should be included in CDE guidance.
#77 Embedded Option Type	<p>DDR agrees with the importance of this data element, specifically the allowed values of Cancelable (“CANC”) and Extendible (“EXTD”), but believes additional data elements detailing option dates may be necessary to fully realize the value.</p> <p>Values of Mandatory Early Termination (“MDET”) and Optional Early Termination (“OPET”), however, may not be applicable here and DDR believes further discussions are warranted.</p> <p>DDR also believes if other global regulators agree this is valuable information, the data element should be added to CDE and allowable values should be clarified.</p>
#16 Counterparty 1 financial entity indicator #17 Counterparty 2 financial entity indicator	While jurisdictional differences in definitions may not allow for harmonization, DDR believes consideration should be given to a more flexible approach, allowing for additional counterparty information in this field (e.g., CCP, Other)
#76 Index Factor	While this data element has been proposed by both CFTC and ESMA, DDR believes CDE guidance was correct to exclude this. The information Index Factor provides is publicly available (an attribute of the index) and given the operational complexities introduced with additional requirements, it should not be required to be reported at the transaction level.
#7 Original Swap USI & #91 Prior USI #8 Original Swap UTI & #92 Prior UTI	Assuming regulation specific definitions allow for further simplification of data reporting requirements, DDR notes the potential for streamlining these two pairs of data elements by only requiring generic Prior USI and Prior UTI.

#82 Non-standardized Term Indicator	<p>DDR believes this proposed data element is asking for duplicative information. This information can be found in existing ISDA product taxonomies reported to SDRs today (e.g., InterestRate:Exotic) and in the future, the global UPI will also account for non-standard terms.</p>
#83 Block Trade Election Indicator	<p>As previously stated in the appendix to DDR’s May 22, 2020 comment letters, currently block trade calculations by SDRs are performed and reported on Part 43 messages. DDR believes that requiring the same data element to be carried over and applied to Part 45 messages, as proposed, would be complex and costly for SDRs with separate Part 43 and Part 45 systems, such as DDR.</p> <p>Because block trade information is only applicable to Part 43 reporting, DDR requests removal of this requirement with respect to Part 45 messages.</p>
#95 Jurisdiction Indicator	<p>As previously stated in the appendix to DDR’s May 22, 2020 comment letters, although the Commission is proposing to remove “international swap” from sections 45.1 and 45.3(i) of its regulations, the “jurisdiction indicator” in the Proposed Tech Specs seems to require reporting of the same data. Additionally, the allowable values for this data element appear to be limited to a select list of regulatory organizations.</p> <p>DDR requests clarification on whether the “jurisdiction indicator” is still expected to be reported since “international swap” is being removed from section 45.1. DDR also would like clarification on whether the list of allowable values under “jurisdictional indicator” will be updated on a regular basis. If so, DDR recommends allowing free format text instead of requiring SDRs to update system validations.</p>

<p>#23 Custom Basket Indicator</p>	<p>DDR agrees with the CFTC's approach on this data element and believes adoption of additional basket related CDE fields (#2.97 Custom Basket Code, #2.98 Identifier of the Basket's Constituents, #2.99 Basket Constituent's Unit of Measure, #2.100 Basket Constituent's Number of Units, and #2.101 Source of the Identifier of the Basket's Constituents) raises concerns around potential operational complexities, increased chances of reporting errors, and cross-jurisdictional inconsistencies.</p> <p>DDR recommends further discussion with IOSCO and the regulatory community regarding the reporting of baskets as this is an area of potential significant divergence between jurisdictions where some may simply require an indicator to denote the existence of a basket versus those that require full details of the basket elements.</p>
<p>#1 Cleared</p>	<p>DDR agrees with the CFTC's proposed adoption of the CDE data element as prescribed, including the value of "I" (intent to clear).</p>
<p>CDE #2.18 Confirmed</p>	<p>Until further clarification and agreement on the application of this data element and a potential corresponding "Confirmation Timestamp" are determined (e.g., expectations around an originally "unconfirmed" transaction that is subsequently "confirmed"), DDR agrees with the decision to not include this data element.</p>
<p>#41 Package Transaction Price</p> <p>#58 Fixed Rate</p> <p>#60 Price</p> <p>#67 Strike Price</p> <p>#64 Spread</p>	<p>DDR agrees with the CFTC's proposed adoption of the CDE decimal approach as opposed to the percentage approach. Requiring percentages would require conversion of typical system decimal outputs, adding operational complexities and creating more opportunities for erroneous reporting to SDRs.</p>