GFMA Global FX Division
Market Architecture Group
FX Execution Platforms – Attribute Specification for Dodd-Frank reporting of FX Trades
September 2014

Background to the GFMA FX Market Architecture Group (MAG)

About the GFMA FX Division
The Global Financial Markets Association (GFMA) joins together some of the world's largest financial trade associations to develop strategies for global policy issues in the financial markets, and promote coordinated advocacy efforts. The member trade associations count the world's largest financial markets participants as their members. GFMA currently has three members: the Association for Financial Markets in Europe (AFME), the Asia Securities Industry & Financial Markets Association (ASIFMA), and, in North America, the Securities Industry and Financial Markets Association (SIFMA). The GFMA Global FX Division, headquartered at AFME in London, was formed in June 2010 to support efforts to promote an efficient global FX market, monitor regulatory developments that could affect the foreign exchange markets and assist the industry in building out the infrastructure of the future. Its members comprise 22 global FX market participants, collectively representing more than 90% of the FX market (according to Euromoney surveys).

About the MAG
The MAG is a working group of the GFMA FX Division. Its principal remit is to promote common industry standards and workflows in response to the new international regulatory environment. As such, the group wishes to foster dialogue and discussion with a wide range of market participants, vendors, industry utilities and regulators. The group works closely with ISDA in respect of other asset classes to harmonise cross-asset approaches where possible.
As the first key leg of implementing regulatory reform, the group is focusing on the approach to global trade reporting. This work includes focusing on the development of identifiers (in particular unique transaction identifier workflows and product identifiers / taxonomies) and protocols for determining various reporting responsibilities. All of the MAG's relevant documentation is posted on the GFMA's website at: http://www.gfma.org/initiatives/foreign-exchange-(fx)/fx-market-architecture/
Whilst the group will continue to focus on supporting regulatory reporting, it will also be discussing approaches to all new regulatory infrastructures, including in respect of clearing and execution. Market participants are encouraged to communicate with the MAG on these, or any other related issues.

Important notice
Please note that any materials issued by the MAG contain suggestions and comments on approach based solely upon the views of the participants of the MAG. These materials have not been validated with regulators or any other participants, stakeholders or advisers (including legal advisers) to assess compliance with legislation in any applicable jurisdiction, and GFMA makes no representations as to the accuracy or completeness of the materials.
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Background

This document relates to certain aspects of the reporting requirements for the foreign exchange industry under the Dodd Frank Part 43.3 rules on method and timing for real time public reporting rules for Swap Execution Facilities.

Given the reporting obligation for trades executed on a platform remains with SEF, the document lists the additional data attributes the MAG believes would be helpful for SEF's to communicate to counterparties to the trade in order to meet the Part 45 continuation and valuation reporting requirements through the life of the trade.

Trade Attributes required for Part 45 reporting

No	Fields	Format	Applicable trade Types	Proposed Max Length	Values
1.	USI Prefix (note 1)	String	All reportable	10	As per CFTC requirements
2.	USI Value (note 1)	String	All reportable	32	As per CFTC requirements
NEW	UTI Prefix (note 12)	String	All reportable	10	As per ESMA permitted
NEW	UTI Value (Note 12)	String	All reportable	42	As per ESMA permitted
3.	Execution Venue (Note 2)	Enumeration	All reportable	42	LEI or Name of Venue
4.	Execution Venue Value	Enumeration/Text	All reportable	12	"SEF" or "Off-facility"
5.	Execution Timestamp	Coordinated Universal Time (UTC)	All reportable	25	Date & Time (hh:mm:ss)
6.	Link Id (note 1a.)	String	For FX Swaps	42	USI of far leg can be a potential value.
7.	USI Prefix Far Leg (note 1a.)	String	For FX Swaps	10	See 1 above
8.	USI Value Far Leg (note 1a.)	String	For FX Swaps	32	See 2 above
NEW	UTI Prefix Far Leg (note 12)	String	For FX Swaps	10	
NEW	UTI Value Far Leg (note 12)	String	For FX Swaps	42	
9.	Transaction Repository (note 3)	String	All reportable trades	42	LEI/Name of the Repository
10.	Reporting Counter party (note 4)	String	All reportable trades	42	LEI/Name of the counterparty
11.	Clearing Venue (note 5)	String	Cleared Trades	42	LEI/Name of the Clearing House
12.	Clearing Indicator (note 6)	Boolean Flag	Cleared Trades	1	Y/N
13.	UPI Prefix (Note 7)	String	All reportable	10	ISDA
14.	UPI Value (Note 7)	String	All reportable	42	ISDA Taxonomy values
15.	Security Conversion (Note 8)	Boolean Flag	All applicable Types	1	Y/N
16.	Prior USI Prefix (Note 9)	String	All reportable	10	As per CFTC requirements
17.	Prior USI Value(Note 9)	String	All reportable	32	As per CFTC requirements
NEW	Prior UTI Prefix (note 12)	String	All reportable	10	
NEW	Prior UTI Value	String	All reportable	42	

	(note 12)				
18.	Indication of Clearing Exception (note 10)	Boolean Flag	All reportable	1	Y/N
19.	Indication of Allocation (note 11)	Boolean Flag	All reportable	1	Y/N

Notes:
1. USI Prefix & Value
    - These are the unique swap identifier Prefix (or namespace, in Part 45 terminology) and Value (the unique, platform-generated trade ID) that are generated for each distinct and reporting-eligible trade.
        a. FX Swaps
            - The MAG believes that FX swaps should be identified by two separate USIs representing each leg.
            - Where FX Swaps are communicated as two separate trades, individual legs would contain the relevant USI and a unique link ID (that is not necessarily a USI) that is common to both legs would be specified.
            - Where FX Swaps are sent as a single trade, USI Prefix and Value (fields 1 & 2) would contain the near leg USI, whilst the far leg USI will be contained separately (fields 7 & 8).
        b. Option Strategy
            - The MAG suggests that USI's should be generated for individual legs for option strategies.

Note that MAG suggests generation of a unique trade reference on all trades executed on the platform.

2. Execution Venue
    - Part 45 states that field values should be "Identifier (if available) or name of the [SEF] or [DCM]...." The MAG suggests that the LEI be applied on a trade by trade basis and where no LEI exists, the MAG suggests that the SEF's register to obtain the CICI/LEI.

3. Transaction Repository
    - The SEF's should indicate the LEI of the trade repository where the trade execution has been reported under Part 43 & 45 obligation. This is required in order for the trading counterparties to full fill the reporting obligation on continuation & valuation data and life cycle events.

4. Reporting Counterparty
    - FX industry resolves the reporting party on a trade as per the MAG document at location - http://www.gfma.org/uploadedfiles/initiatives/foreign_exchange_(fx)/determiningreportingpartyunderdoddfrank.pdf. On a trade executed on the SEF, LEI should be provided such that trading counterparties can identify the ongoing obligation on continuation & valuation reporting and life cycle events.

5. Clearing Venue
    - The SEF needs to indicate the LEI of the clearing house if known.

6. Clearing Indicator
    An indicator to show whether the SEF considers the trade executed to be cleared.

7. UPI Prefix & Value
    - These are the unique product Identifier as per the ISDA taxonomy. Refer to location - http://www2.isda.org/attachment/NDg5NQ==/ISDA%20OTC%20Derivatives%20Taxonomies%20-%20version%202012-10-22.xls for ISDA taxonomy of FX products.

8. Security Conversion
    - A flag to indicate if the trade is a result of security conversion only where applicable

9. Prior USI Prefix and Value
    - As per the CFTC requirement, where prior USI is known for a trade, the SEF needs to provide the prefix and the value.

10. Indication of Clearing exception
    - If a trade will not be cleared, this is intended to indicate whether this is as a result of an exception or exemption being elected (please see Part 45 for more details).

11. Indication of Allocation
    - An indication of whether the trade will be allocated.

12. UTI Prefix and Value, UTI Prefix and Value Far Leg, Prior UTI Prefix and Value
    - As a result of cross-border trading issues and the preferences of some counterparties to be the UTI generating party even though the counterparty may be the CFTC Reporting party, the MAG believes that USI and UTI should be provided as separate and distinct fields. Where a platform is a SEF the USI should be generated by the platform and the platform can duplicate that USI into the UTI field. Where the platform is a non-SEF it should only generate the UTI and should leave the USI blank.
    - The current state is that these are provided in a single field and the MAG recognises that there will be a time lag for the transition to two independent fields.