REPO/Deposits with CCP, Inter-Dealer REPO, and credit trades with floating rates

Table of contents

Document history

Date	List of changes
22.11.2022	Initial
05.08.2024	As of 16.09.2024, the Percent risk factor will be applied to the maintenance of positions in REPO/Deposits trades with CCP with floating rate. The document outlines the changes in the IFCBrokerRisk51 interface related to this update. Position accounting and margining features are described in the "Calculation Features" section for REPO with CCP with GCP and for Deposits with CCP.

Trading boards and benchmarks

The following floating rate benchmarks are provided for different trading modes:

- **Exchange REPO with CCP with GCP or Deposits with CCP trades:** RUSFAR overnight, RUSFARCNY
- **Negotiated REPO with CCP with GCP, Deposits with CCP, REPO with CCP with individual securities, Inter-Dealer REPO, and credits:** RUSFAR overnight, RUSFAR1W, RUSFAR2W, RUSFAR1M, RUSFAR3M, RUONIA, Bank of Russia key interest rate (RREFKEYR), RUSFARCNY

Board ID	Name	Benchmark ID
PSGC	REPO with CCP with GCP Negdeal	RUSFAR, RUSFAR1W, RUSFAR2W, RUSFAR1M, RUSFAR3M, RUONIA, RREFKEYR
PYGC	REPO with CCP with GCP Neg.CNY	RUSFARCNY
PSRP	REPO with CCP Negdeal	RUSFAR, RUSFAR1W, RUSFAR2W, RUSFAR1M, RUSFAR3M, RUONIA, RREFKEYR
PSRY	REPO with CCP Negdeal CNY	RUSFARCNY
RPMO	REPO-M	RUSFAR, RUSFAR1W, RUSFAR2W, RUSFAR1M, RUSFAR3M, RUONIA, RREFKEYR
RPEY	REPO-M (CNY settle)	RUSFARCNY
CRER	Credits RUB	RUSFAR, RUSFAR1W, RUSFAR2W, RUSFAR1M, RUSFAR3M, RUONIA, RREFKEYR
CREY	Credits CNY	RUSFARCNY

The following benchmarks settled in CNY are planned to be introduced later:

- Shanghai Interbank Offered Rate overnight (system id is SHIBOR)
- Fixing Repo Rate overnight (system id is FR001)

New benchmark-linked trading boards for REPO with CCP with GCP trading (order book) will be introduced. The benchmark will be determined at the board level.

The following trading boards settled in rubles and linked with RUSFAR benchmark will be added to the trading system:

- FCOW - "REPO with CCP with GCP fl. 7d"
- FCSW - "REPO with CCP with GCP fl. 14d"
- FCOM - "REPO with CCP with GCP fl. 1m"
- FCSM - "REPO with CCP with GCP fl. 2m"
- FCTM - "REPO with CCP with GCP fl. 3m"
- FCUM - "REPO with CCP with GCP fl. 6m"
- FCNM - "REPO with CCP with GCP fl. 9m"

- FCOY - "REPO with CCP with GCP fl. 1y"

Following trading boards settled in CNY and linked with RUSFARCNY benchmark will be added to the trading system:

- FYOW - "REPO with CCP GCP fl. 7d CNY"
- FYSW - "REPO with CCP GCP fl. 14d CNY"
- FYOM - "REPO with CCP GCP fl. 1m CNY"
- FYSM - "REPO with CCP GCP fl. 2m CNY"
- FYTM - "REPO with CCP GCP fl. 3m CNY"
- FYUM - "REPO with CCP GCP fl. 6m CNY"
- FYNM - "REPO with CCP GCP fl. 9m CNY"
- FYOY - "REPO with CCP GCP fl. 1y CNY"

For trades of mentioned types, rate will be calculated daily as
[Benchmark current value] + [Deal spread]

ASTS Bridge broker interface relevant updates with IFCBroker44 and IFCBrokerRisk44 version

The changes described below, available in the new version of the bridge interface, are intended to test the floating rate functionality. Trading system broker interface (IFCBroker):

1. The following transactions will have a new parameter BENCHMARK to specify needed benchmark identifier required to which floating rate is linked:
   - CCP_REPO_NEGDEAL
   - CCP_REPO_COMPLEX_NEGDEAL
   - EXT_REPO_NEGDEAL
   - EXT_REPO_COMPLEX_NEGDEAL

2. The ORDERS and ONEORDER tables will be supplemented with the BENCHMARK field to display benchmark ID to which floating rate is linked.

3. The USTRADES table will be supplemented with the following new fields:

BENCHMARKVALUE	The benchmark value that was used "today" to calculate the trade interest
BENCHMARKCHANGEDATE	The nearest date for determining the new benchmark value

4. BENCHMARK field size will be increased from 8 to 12 characters for the following tables:

   - BOARDS
   - USTRADES
   - TRADES
   - ALL_TRADES
   - NEGDEALS and ONENEGDEAL

5. ID field size will be increased from 8 to 12 symbols in the BENCHMARKS table. Besides, following new fields will be added:

ASSET	Virtual asset to account positions on benchmark-linked interest
STARTDATE	Date of benchmark value was determined
SETTLECODE	Settlement code
CURRENCYID	Currency of settlement
NEXTVALUE	The value of the indicator by the next calendar day, %

NEXTVALUE field value is broadcasting as empty until the benchmark value is calculated for the next day.

Clearing system broker interface (IFCBrokerRisk): BENCHMARK field size will be increased from 8 to 12 characters for the TRADES.

New version of the IFCBrokerRisk51 interface

The changes described below, available in the new version of the bridge interface, are designed to test the functionality of position accounting for orders and trades that are adjusted by the Percent risk factor for REPO trades with floating rate.

In the ASTS Bridge broker interface for the connection to the clearing system:

1. A PARTIALPERCENTRISK (Partial percent risk) field of logical type "TYesNo" will be added to the RMPOSTYPE (Open Position Types) table.
2. A FLOATINGRATEPCTRISKFACTOR (Percent risk factor for REPO trades with floating rate) field of numeric type with a fixed dimension of 6.3 will be added to the ASSETS table.
3. Records of liabilities and claims on the second parts of REPO trades with floating rate in the RM_HOLD and RM_POSN tables, with execution dates later than the current date, will now have a new value "P" in the RMPOSTYPE field. The net position, for the purposes of Percent risk calculation, will be adjusted using the Percent risk factor for REPO trades with floating rate.

Submission of orders

When submitting negotiated REPO/Deposits, Inter-Dealer REPO, and credit orders with floating rate, the BENCHMARK parameter is specified in the transaction, while the spread to the benchmark value is specified as the REPORATE parameter. The new parameter in the specified transactions is not used when submitting REPO/Deposits orders with CCP with fixed rate. Matching the BENCHMARK parameter value is one of the conditions for order matching in the trading system.

An exchange REPO order with CCP with GCP in the new trading modes is submitted in the usual way, with the spread to the benchmark specified in the PRICE field. The BENCHMARK field is absent, as the RUSFAR benchmark is bound to each new board.

Settlement features

REPO with CCP with GCP and Deposits with CCP

The start and end dates of interest accrual periods for benchmarks will align with the dates of the first and second parts of REPO trades with CCP, following the convention of the respective

benchmark. The value for the next calendar day for the benchmark, to which the floating rate on the deal is linked, will be transferred to the NEXTVALUE field of the BENCHMARKS table.

Position accounting under REPO/Deposits orders and trades with CCP with floating rate in the trading and clearing system will use real and virtual assets corresponding to the benchmarks with which these trades are concluded. A virtual asset, associated with each benchmark, will have its identifier stored in the new ASSETID field of the BENCHMARKS table.

The calculated REPO rate in terms of interest per annum on virtual assets is determined for key terms T as the value of the forward rate of the corresponding interest curve for the key term T. REPO/Deposits orders and trades with CCP with floating rate will form the following planned positions:

- For the asset corresponding to the REPO/Deposit trade with CCP, on the dates of liabilities for the first part in order/trade of type "D" (by default).
- For the asset corresponding to the REPO/Deposit trade with CCP, on the dates of liabilities for the second part in order/trade of type "P" (with floating rate).
- For the currency in which the REPO/Deposit trade with CCP is concluded, on the dates of liabilities for the first part in order/trade of type "D" (by default).
- For the currency in which the REPO/Deposit trade with CCP is concluded, on the dates of liabilities for the second part in order/trade of type type "P" (with floating rate).
- For the virtual asset corresponding to the benchmark with which the REPO/Deposit trade with CCP is concluded, on the execution date corresponding to the second part in order/trade of type "D" (by default).

These positions will be displayed in the RM_HOLD and PM_POSN tables.
The position volume for the virtual asset corresponding to the benchmark will be determined as the money position for the first part of the trade, rounded up to the nearest integer.

For each asset, the Percent risk factor for REPO with floating rate will be transmitted. Liabilities and claims for assets arising from the second part of trades and orders will be recorded in a separate line item in a position with "Floating rate" type. For percent risk calculation purposes, liabilities and claims on trades and orders in a position with "Floating rate" type will be adjusted by the "Percent risk factor for Repo with floating rate" parameter by multiplying by the value of this parameter.

Inter-Dealer REPO

The current value of the REPO rate (benchmark value + spread) is used to calculate the return on REPO trades. Interest on the trade is calculated daily from the execution date of the first part (inclusive) to the execution date of the second part (not including this date), based on the current values of the benchmark, the REPO amount, and the respective date's base (365 or 366 days).

Floating rate trades displaying in report on trades included into clearing

The type of trade rate (RateType field), Indicative rate ID (Benchmark field), and the size of the indicative rate in percent (BenchmarkRate field) will be included into the EQM06 report on trades included into clearing, and in its forms:

- EQM6C: Report on trades included into clearing (client trades)
- EQM6D: Report on trades included into clearing (for holders)
- EQM06P: Report on trades included into clearing (after execution of the Portability procedure)

- EQM06R: Report on trades included into clearing (before execution of the Portability procedure)

In the XML report structure, the size of the Benchmark field will be increased from 8 to 12 characters.

The rate type will be captured in the RateType field as follows: "FIX" for fixed rate, "FLOATING" for floating rate.

The "FIX" value will be displayed when the Benchmark field is not filled in. Otherwise, the "FLOATING" value will be displayed.
Up-to-date specifications of report formats on the results of clearing on the securities market are available on the MOEX website.

Floating rate trades displaying in orders and trades registers

In the following reports, the size of the Benchmark field (Indicative rate ID) will be increased from 8 to 12 characters:

- SEM02: Extract from the Order register
- SEM03: Extract from the Trade register

In the following trading reports, fields will be added to display the floating rate benchmark code (Benchmark) and the trade type by rate (RateType):

- SEM02CR: Extract from the register of orders for loan contracts
- SEM03CR: Extract from the register of trades under loan contracts
- SEM02D: Extract from the register of orders for deposit contracts
- SEM03D: Extract from the Offer register
- SEM04D: Extract from the register of trades under deposit contracts

Up-to-date specifications of report formats on the results of clearing on the securities market are available on the MOEX website.

XSD schemes and XSLT styles are available at FTP server.