

Further Updates and Clarification on the Supplementary Reporting Instructions for OTC Derivative Transactions published on 25 November 2016 (February 2017 Updates)

The latest version of the Supplementary Reporting Instructions for OTC Derivative Transactions (SRI 1) and the Supplementary Reporting Instructions for OTC Derivative Transactions – Part 2 (SRI 2) were published on 25 November 2016. Following the updates to SRI 1 and SRI 2 published on 27 January 2017 (January 2017 Updates), this document provides further updates to these instructions taking into account comments received from the industry and latest international developments. The SRI 1, SRI 2, January 2017 Updates and this February 2017 Updates should be read together as the complete set of instructions.

SRI 1

Paragraph 89 (ii) and (iii) Novation – regarding reporting of “Trade Date” and “Effective Date”

The SRI originally gave reporting entities until 28 February 2017 (as in footnote 19) to comply with the requirement in section C.14 with respect to reporting of information relating to dates of the novation. In light of the consultation on reporting novation transactions by the International Organization of Securities Commissions (IOSCO) Harmonization Group and in the expectation that further guidance will be released following the consultation and related discussion, the effective date for compliance with the requirements in section C.14 will be deferred until further notice. Entities may continue reporting information relating to the relevant dates as they are doing currently. Entities that have already adopted the requirements in section C.14 do not need to change back. Further guidance on the reporting treatment relating to dates will be issued once international standards have been published. In the meantime, entities will be adopting different approaches to reporting dates of novation transactions, discrepancies in reports from the counterparties to some trades will be unavoidable. Reporting entities are not required to reconcile discrepancies arising from differences in the reporting of Trade Date/Effective Date until the further guidance on reporting of such information is issued but should continue to do so for discrepancies arising from all other causes.

SRI 2

A new section and paragraph added under **B.2 Backloading**

B.2.1 Forward Rate Agreement (FRA)

FRAs which will mature on or before the end of the grace period for backloading (30 September 2017) will not be required to be backloaded. Note that for reporting purposes, an FRA is considered to have matured if the effective date is reached, regardless if it is before or after the grace period. Reporting entities will not be required to backload such FRAs which have reached their effective date on or before the last day of the grace period. For FRA trades which are required to be reported, reporting entities should still populate the data field “Termination Date” with the maturity date of the contract instead of the effective date of the FRA. For avoidance of doubt, reporting of valuation is not required for matured FRA if the effective date is reached.