



FinDatEx – TPT/SII TWG Additional guidelines

## Additional guidelines TPT V6

This document provides additional guidelines related to the modelling of FX forward, FX options, FX Futures, Swap, Credit Derivatives transactions

## Additional guidelines on FX Forward Transactions

FX forward transactions should be modelled in **2 lines (buy leg / sell leg)** of the report, following the additional guidelines.

Data field	Additional guidelines
12_CIC_code_of_the_instrument	"XLE2" or "XTE2" may be used.
16_Grouping_code_for_multiple_leg_instruments	It is very important that the <u>same</u> value / ID is assigned to both legs. This makes it possible to connect both legs to the same instrument.
24_Market_valuation_in_portfolio_currency_(B)	<p>There are 2 options:</p> <ul style="list-style-type: none"> <li>• (1) <b>"gross approach"</b>: fill the valuation of each leg</li> <li>• (2) <b>"net approach"</b>: or by putting the valuation of the transaction in one leg and 0 in the other one.</li> </ul> <p>We recommend using the same approach as the one used in your accounting system to avoid creating discrepancies between accounting and prudential views. In all cases the sum of the 2 lines should equal the valuation of the transaction used for the calculation of the NAV of the portfolio or the fund.</p>
27_Market_exposure_amount_in_quotation_currency_(A)	<p>Unless specified otherwise in S2 regulation, common practice is to put the notional amount of the transaction. This allow participant to be consistent with CESR approaches and Asset Management Prudential regulations such AIFMD for assessing leverage on funds with derivatives.</p> <p>Some participants may indicate the actual valuation of future cash flows in each leg.</p>
28_Market_exposure_amount_in_portfolio_currency_(B)	The exposure amount in portfolio currency should be filled with the value, in portfolio currency, of the market exposure in quotation currency.

4_Portfolio_currency_(B)	6_Valuation_date	12_CIC_code_of_the_instrument	14_Identifier_code_of_the_instrument	16_Grouping_code_for_multiple_leg_instruments	17_Instrument_name	19_Nominal_amount	21_Quotation_currency_(A)	22_Market_valuation_in_quotation_currency_(A)	23_Clean_market_valuation_in_quotation_currency_(A)	24_Market_valuation_in_portfolio_currency_(B)	25_Clean_market_valuation_in_portfolio_currency_(B)	27_Market_exposure_amount_in_quotation_currency_(A)	28_Market_exposure_amount_in_portfolio_currency_(B)	29_Maturity_date
EUR	2021-01-31	XLE2	3147336S	D_4551057	V GBP EUR 21/03/31 1,14	-1 000 000	GBP	0	0	0	0	-1 000 000	-1 150 000	2021-09-30
EUR	2021-01-31	XLE2	3147336L	D_4551057	V GBP EUR 21/03/31 1,14	1 140 000	EUR	-11 669	-11 669	-11 669	-11 669	1 140 000	1 140 000	2021-09-30
EUR	2021-01-31	XLE2	3147336S	D_4551057	V GBP EUR 21/03/31 1,14	-1 000 000	GBP	-1 000 990	-1 000 990	-1 151 139	-1 151 139	-1 000 000	-1 150 000	2021-09-30
EUR	2021-01-31	XLE2	3147336L	D_4551057	V GBP EUR 21/03/31 1,14	1 140 000	EUR	1 139 470	1 139 470	1 139 470	1 139 470	1 140 000	1 140 000	2021-09-30
				Spot GBP EUR	1,1500									
				LIBOR GBP 2M	0,0800									
				LIBOR EUR 2M	-0,5400									
				Spot USD EUR	1,1800									

## Additional guidelines on FX Options Instruments

FX options transactions should also be modelled in 2 lines (call leg / put leg) for the report adopting the same principles as for the FX forward transaction. Nevertheless, for practical reasons, it is possible to modelled one leg in case one the currency is the one used for the valuation of the portfolio

Data field	Additional guidelines
12_CIC_code_of_the_instrument	"xxB3" or "xxC3" may be used. "xx" is the country of quotation for listed options or "XT" or "XL" for OTC product. <u>The cic code of the transaction should be the same</u> for both legs in case the transaction is modelled with 2 legs. (for example, a call EUR/YEN and a put YEN/EUR are the same).
16_Grouping_code_for_multiple_leg_instruments	If required, it is very important that the <u>same value / ID</u> is assigned to both legs. This makes it possible to connect both legs to the same instrument.
24_Market_valuation_in_portfolio_currency_(B)	Valuation of the option. In case the instrument is modelled on 2 lines, put the valuation of the option in one line and 0 in the other.
27_Market_exposure_amount_in_quotation_currency_(A)	Unless specified otherwise in S2 regulation, common practice is put the notional or notional amount of the transaction, multiplied by the delta. This allow participant to be consistent with CCSR approaches and Asset Management Prudential regulations such AIFMD for assessing leverage on funds with derivatives.

28_Market_exposure_amount_in_portfolio_currency_(B)	The exposure amount in portfolio currency should be filled with the value, in portfolio currency, of the market exposure in quotation currency.
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4_Portfolio currency ( B )	12_CIC code of the instrument	14_Identification code of the financial instrument	16_Grouping code for multiple leg instruments	17_Instrument name	19_Nominal amount	21_Quotation currency (A)	22_Market valuation in quotation currency ( A )	23_Clean market valuation in quotation currency (A)	24_Market valuation in portfolio currency (B)	25_Clean market valuation in portfolio currency (B)	27_Market exposure amount in quotation currency (A)	28_Market exposure amount in portfolio currency (B)	61_Strike price	93_Sensitivity to underlying asset price (delta)
EUR	XTB3	31476336	D_4551043	A CALL USD/EUR PUT 31/03/21	700 000	USD	2 286	2 286	1 950	1 950	315 000	266 949	1,2	0,4500
EUR	XTB3	31476338	D_4551043	A CALL USD/EUR PUT 31/03/21	-583 333	EUR	0	0	0	0	-262 500	-262 500	1,2	0,4500
EUR	XTB3	16466802:56		EUR / USD VANILLA C (march 21	700 000	USD	2 286	2 286	1 950	1 950	315 000	266 949	1,2	0,4500
				Spot USD EUR	1,1800									

## Additional guidelines on FX future instruments

FX future transactions should be modelled in 2 lines.

Data field	Additional guidelines
12_CIC_code_of_the_instrument	“xxA3” should be used. “xx” is the country of quotation for listed options or “XT” or “XL” for OTC product.
16_Grouping_code_for_multiple_leg_instruments	It is very important that the same value / ID is assigned to both legs. This makes it possible to connect both legs to the same instrument.
19_Nominal_amount	The nominal amount is negative for the quotation currency leg and positive for the other currency’s leg, in case of long position and vice versa for a short position.
24_Market_valuation_in_portfolio_currency_(B)	The valuation is indicated on one leg.
27_Market_exposure_amount_in_quotation_currency_(A)	Notional or nominal amount.

28_Market_exposure_amount_in_portfolio_currency_(B)	The exposure amount in portfolio currency should be filled with the value, in portfolio currency, of the market exposure in quotation currency.
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4_Portfolio_currency_(B)	6_Valuation_date	12_CIC_code_of_the_instrument	14_Identifier_code_of_the_instrument	16_Grouping_code_for_multiple_leg_instruments	17_Instrument_name	19_Nominal_amount	21_Quotation_currency_(A)	22_Market_valuation_in_quotation_currency_(A)	23_Clean_market_valuation_in_quotation_currency_(A)	24_Market_valuation_in_portfolio_currency_(B)	25_Clean_market_valuation_in_portfolio_currency_(B)	27_Market_exposure_amount_in_quotation_currency_(A)	28_Market_exposure_amount_in_portfolio_currency_(B)	39_Maturity_date
EUR	2021-01-31	USA3	3147336S	D_4551057	FUT GBP USD SEPT 21	62 500 000	GBP	0	0	0	0	62 500 000	72 500 000	2021-09-30
EUR	2021-01-31	USA3	3147336L	D_4551057	FUT GBP USD SEPT 21	-93 750 000	USD	-25 700	-25 700	-21 417	-21 417	-93 750 000	-78 125 000	2021-09-30
					Acquisition price CME USD GBP	1,5000								
					Spot EUR USD	1,2000								
					Spot GBP EUR	1,1600								

## Additional guidelines on IRS Instruments

IRS transactions should be modelled in 2 lines.

Data field	Additional guidelines
12_CIC_code_of_the_instrument	“XTD1” should be used.
16_Grouping_code_for_multiple_leg_instruments	It is very important that the <u>same value / ID</u> is assigned to both legs. This makes it possible to connect both legs to the same instrument.
24_Market_valuation_in_portfolio_currency_(B)	The valuation may be indicated on one leg or detailed on each leg.  We recommend using the same approach as the one used in your accounting system to avoid creating discrepancies between accounting and prudential views. In all cases the sum of the 2 lines should equal the valuation of the transaction used for the calculation of the NAV of the portfolio or the fund.
27_Market_exposure_amount_in_quotation_currency_(A)	Unless specified otherwise in S2 regulation, common practice is put the notional amount of the transaction indicated as a nominal in datapoint 19. This allow participant to be consistent with CESR approaches and Asset Management Prudential regulations such AIFMD for assessing leverage on funds with derivatives.

28_Market_exposure_amount_in_portfolio_currency_(B)	The exposure amount in portfolio currency should be filled with the value, in portfolio currency, of the market exposure in quotation currency.
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12_CIC_code_of_the_instrument	14_Identification_code_of_the_instrument	16_Grouping_code_for_multiple_leg_instruments	17_Instrument_name	19_Nominal_amount	21_Quotation_currency_(A)	22_Market_valuation_in_quotation_currency_(A)	23_Clean_market_valuation_in_quotation_currency_(A)	24_Market_valuation_in_portfolio_currency_(B)	25_Clean_market_valuation_in_portfolio_currency_(B)	27_Market_exposure_amount_in_quotation_currency_(A)	28_Market_exposure_amount_in_portfolio_currency_(B)	32_Interest_rate_type V5.0 = The codification	33_Coupon_rate	34_Interest_rate_reference_identification	35_Identification_type_for_interest_rate_index	36_Interest_rate_index_name	37_Interest_rate_margin	38_Coupon_payment_frequency	39_Maturity_date	90_Modified_duration_to_maturity_date	92_Credit_sensitivity
XTD1	102856767REC	102856767	Swap CAL -0.523/OIS 20/05/2021	1 000 000	EUR	-3 165	-3 165	-3 165	-3 165	1 000 000	1 000 000	Floating		OIS		OIS (SWAP)	0	1	2021-05-20	0	0
XTD1	102856767PAY	102856767	Swap CAL -0.523/OIS 20/05/2021	-1 000 000	EUR	5 319	3 387	5 319	3 387	-1 000 000	-1 000 000	Fixed	-0,523					1	2021-05-20	0,63	0
XTD1	102856767REC	102856767	Swap CAL -0.523/OIS 20/05/2021	1 000 000	EUR	0	0	0	0	1 000 000	1 000 000	Floating		OIS		OIS (SWAP)	0	1	2021-05-20	0	0
XTD1	102856767PAY	102856767	Swap CAL -0.523/OIS 20/05/2021	-1 000 000	EUR	2 154	222	2 154	222	-1 000 000	-1 000 000	Fixed	-0,523					1	2021-05-20	0,63	0

For other type of Swap instrument, we kindly recommend addressing specialists that will be able to reconcile TPT modelling principles with insurance companies needs regarding S2 regulation.

## Additional guidelines on CDS Instruments

Data field	Additional guidelines
19_Nominal_amount	A CDS may be considered as series of put spreads (buying puts on an underlying corporate bond and selling puts on an underlying credit risk free instruments). For consistency purposes we would recommend indicating negative figures for long instruments.

## Additional guidelines on collateral

Data field	Additional guidelines
138_Collateral_eligibility	Indicates if the asset manager has analysed the collateral to assess whether it is eligible or not to the simplified approach for SCR calculation (RD UE 2015/35 art 112) and which factor should be applied to estimate an adjusted value of the collateral. This approach is the only one applicable for doing the calculations at fund level. Please refer to your counsel for more information on Solvency 2 regulation.
139_Collateral_Market_valuation_in_portfolio_currency	Indicates the market value of the collateral in portfolio currency. This information will be used in the calculation of the SCR.

14_Identification_code_of_the_instrument	16_Grouping_code_for_multiple_instruments	17_Instrument_name	19_Nominal_amount	21_Quotation_currency_(A)	22_Market_valuation_in_quotation_currency_(A)	23_Clean_market_valuation_in_quotation_currency_(A)	24_Market_valuation_in_portfolio_currency_(B)	25_Clean_market_valuation_in_portfolio_currency_(B)	27_Market_exposure_amount_in_quotation_currency_(A)	28_Market_exposure_amount_in_portfolio_currency_(B)	32_Interest_rate_type V5.0 = The codification	33_Coupon_rate	39_Maturity_date	90_Modified_duration_to_maturity_date	92_Credit_sensitivity	....	138_Collateral_eligibility	139_Collateral_Market_valuation_in_portfolio_currency
10285676C0		LOAN 2,50 25/10/18 - CGG	1 000 000	EUR	998 990	998 990	998 990	998 990	998 990	998 990	Fixed	2,5	2025-10-18	4,230	4,230	....	1	531 000