

General Information (Origin of Request)		
<input type="checkbox"/> User Requirements (URD)		
<input checked="" type="checkbox"/> Other User Functional or Technical Documentation (SYS)		
Request raised by: 4CB	Institute: 4CB	Date raised: 15/05/2015
Request title: Alignment of Securities Valuation flat file format		Request ref. no: T2S 0523 SYS
Request type: Common	Urgency: Normal	
1. Legal/business importance parameter: Low	2. Market implementation efforts parameter: Low	
3. Operational/Technical risk parameter: Medium	4. Financial impact parameter: No cost impact	
Requestor Category: 4CB	Status: Authorised at Steering level	

Reason for change and expected benefits/business motivation:

Item 9 in CR507 introduced a format alignment for the Price field of the Securities Valuation Static Data object. In order to prevent the creation of data that would not be compliant to the XML message specifications, the U2A channel format was aligned to the A2A format. As a result, the formats for both channels are currently defined as follows:

- Price (as amount): max 15 digits including decimal point (thereof max 5 decimal places)
- Price (as percentage): max 15 digits including decimal point (thereof max 14 decimal places)

However, the flat file channel, which is used by default by Central Banks and Payment Banks on a daily basis for loading prices, still envisages a 31-digit format for the Price fields, with no restriction on decimal places.

Using the flat file channel to input prices with greater amounts of digits than the ones foreseen in the U2A/A2A channels results in the prices being stored in the database with the full number of digits. This can lead to issues in the Auto-collateralisation process, which is only designed to handle decimals that fit with the limitations mentioned above.

The CRG members agreed to introduce a solution that will leave the format of the Price fields in the flat file as they are (31 digits) and to introduce a new business logic to truncate Prices (amounts) with more than 5 decimals and Prices (coefficients) with more than 14 decimals so that they comply with the format restrictions in place for the A2A/U2A channels.

In the absence of this business logic the current valuation process would fall into error or calculate with wrong values should the Prices exceed these values within the allowed 31 digits.

Description of Requested Change:

The securities valuation flat file format envisages a number of digits/decimals for prices that is not in line with the one foreseen in the standard U2A/A2A channels. This may lead to issues when these prices are used in the Auto-collateralisation process.

Submitted annexes / related documents:

Proposed wording for the Change request:

UDFS v2.0 section 2.26.3 ("File Format Specifications"), page 854

FLAT FILE COLUMN	COLUMN NAME	FORMAT	DESCRIPTION	RULES
FIRST ROW				
1	Tag of start of file	CHAR (60)	" " or "<File>"	The optional attribute field is a file reference that can be assigned by the sender. It is optional and it can be used to link the file returned by T2S and the file originally sent to T2S. The length of value assigned to field is from 0 to 54 characters.
ROWS FROM #2 ON				
1	Parent BIC	CHAR(11)	Parent BIC of the NCB providing the valuations	It must be known in advance by T2S system and included in the configuration table (see above).
2	BIC	CHAR(11)	BIC of the NCB providing the valuations	It must be known in advance by T2S system and included in the configuration table (see above).
3	Valuation Date	DATE	Date of the valuation	
4	ISIN	CHAR(12)	ISIN code of the securities	
5	Currency	CHAR (3)	ISO Currency code for the valuations	
6	Price coefficient	NUMERIC (31)	Price as coefficient – without any decimal point / comma	Example: If the price is 123,45 must be: 000...00012345 (number of leading zeroes is 26)
7	Number of decimal digits for price as coefficient	NUMERIC (4)	Price as coefficient (i.e. without currency) – number of fractional digits	Example: If the price is 123,45 must be: 0002 <u>All digits past the 14th decimal digit will be truncated.</u>
8	Price as amount	NUMERIC (31)	Price as amount (i.e. with currency) – without any decimal point / comma	Example as above
9	Number of decimal digits for price as amount	NUMERIC (4)	Price as coefficient (i.e. with currency) – number of fractional digits	Example as above <u>All digits past the 5th decimal digit will be truncated.</u>
10	Status	CHAR (4)	Status of the row	It must be blank in the input file This information is updated by T2S in the file provided back to the sending NCB
11	Error description	CHAR(60)	Description of the error (if any) detected when the row was processed by SDMG	It must be blank in the input file This information is updated by T2S in the file provided back to the sending NCB

FLAT FILE COLUMN	COLUMN NAME	FORMAT	DESCRIPTION	RULES
12	Record separator	CHAR(2)	Fixed value: LF	LF = Line Feed (x'0A')
LAST ROW				
1	Tag of end of file	CHAR (7)	"</File>"	

Outcome/Decisions:

- * CRG meeting of 20 May 2015: The CRG recommended the approval of the Change Request.
- * OMG on 1 June 2015: During a written procedure from 22 May to 1 June 2015, the Operations Managers Group did not identify any operational impact of the Change Request.
- * Advisory Group's advice on 10 June 2015: Following a written procedure, the AG was in favour of the Change Request.
- * CSG meeting on 11 June 2015: The CSG adopted the resolution to approve the Change Request.