Common Domain Model (CDM) for repo and bonds

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Director
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Common Domain Model (CDM)
for repo and bonds
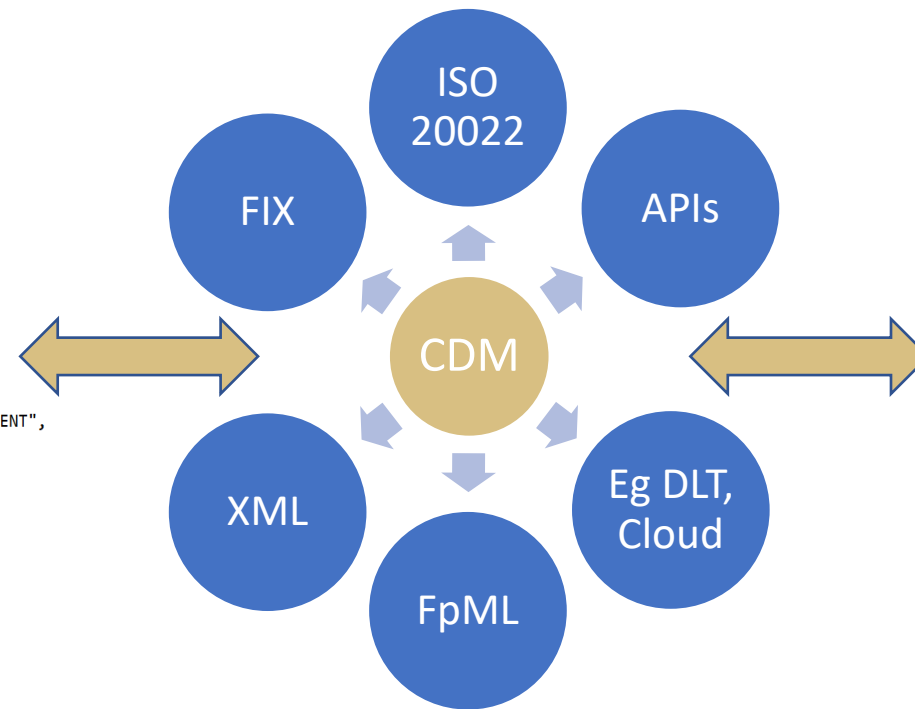
in collaboration with REGnosys

Gabriel Callsen, Director, ICMA

ERCC AGM – 13 October 2021

Agenda

1) **Benefits of the CDM**

2) **How to access the CDM for repo and bonds**

3) **CDM resources: Demos, factsheets and supporting materials**

4) **Results of ICMA's CDM survey to the ERCC**

CDM for repos and bonds – Benefits

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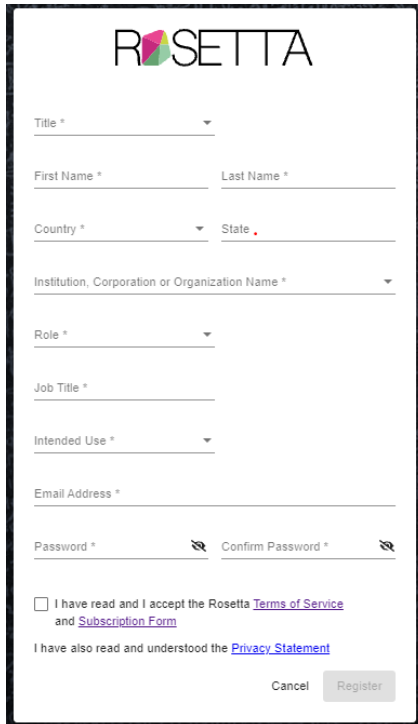
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FIX · ISO 20022 · APIs · Eg DLT, Cloud · FpML · XML · CDM

Each party uses the CDM as 'common denominator' or 'common language' to process repo transactions.

Benefits:
➢ **Industry-wide efficiency gains**
➢ **Interoperability**
➢ **Common foundation for innovation**
➢ **Cross-industry collaboration: ICMA, ISDA, ISLA**
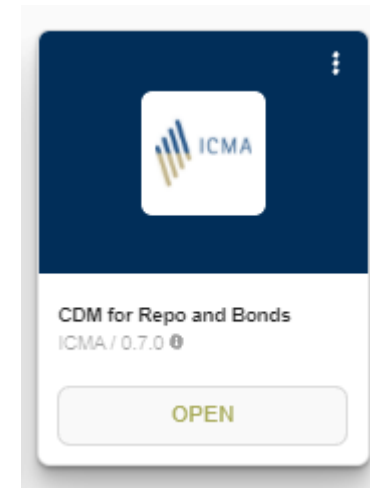
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How to access the CDM for repo and bonds

1. New users: Register via the Rosetta portal: https://ui.rosetta-technology.io/#/register

2. Existing users of ISDA CDM: use the same credentials to log in via https://ui.rosetta-technology.io to Rosetta.

3. Contact ICMA (fintech@icmagroup.org) to request access.

4. You will need to log off and back in to see CDM for Repo and Bonds workspace.

CDM resources

- **Demos and recordings** of ICMA's CDM showcase event held on 21 July 2021 are available here:

  - CDM in action – execution, clearing and settlement of a repo transaction by FINXIS LLC (8 mins)

  - An introduction to Rosetta by REGnosys (5 mins)

  - Common Domain Model (CDM) for repo and bonds (1hr 25min)

- The factsheets and further information can be found on **ICMA's CDM webpage**.

- **CDM factsheets:**

CDM survey to the ERCC community

❑ Survey conducted from mid-August until End of September 2021.

❑ The purpose was to gather members' views on potential next steps, priorities and considerations for implementation in relation to the CDM from a repo perspective.

❑ 19 organisations participated in the survey:

% OF RESPONDENTS

Vendor firm, 11%

Other, 5%

Buy-side, 11%

Sell-side, 42%

Regulated market infrastructure, 32%
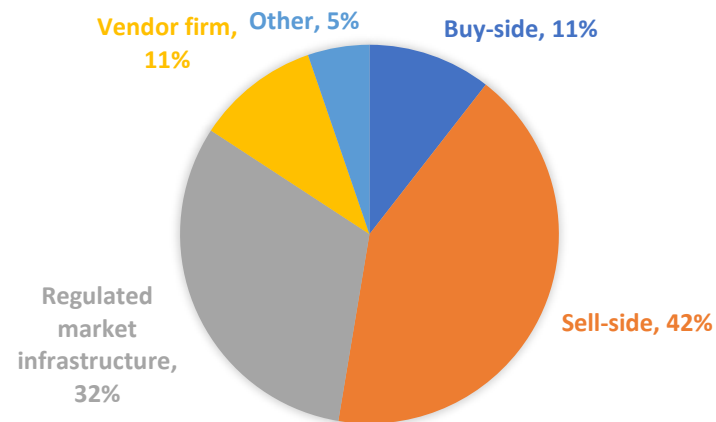
CDM survey to the ERCC community

❑ Key take-aways:

- ▪ Respondents agreed unanimously that they see value in further extending the CDM going forward.

- ▪ Priorities for future development of CDM:

  1. Transaction management - Model unambiguous representation of lifecycle events and processes

  2. Repo structures - Model other repo structures (floating-rate repos, open repos)

  3. Collateral management - Model unambiguous representation of collateral-focused processes

  4. Regulatory reporting (eg future review of SFTR)

  5. Synonym mapping (eg FIX or Swift to CDM) to facilitate translation in and out of CDM

  6. New applications in repo markets (eg tokenisation and related events and processes)

- ▪ Priorities in terms of IT budget allocation over next 5 years:

  o Regulatory reporting and compliance (71%)

  o Developing new products and services (59%)

Thank you for your attention

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Useful links:

ICMA CDM Rosetta portal

ICMA CDM webpage

ICMA FinTech Overview

ICMA FinTech newsletter

ICMA Podcasts – Recent additions:

- How FinTech is changing capital markets
- The Common Domain Model – fundamental & genesis