Austraclear Service Release 13.2

March 2022

Service Release 13.2

Following engagement with Market Participants since the go-live of the Market Repo Module in November 2021 various enhancements will be made to the Market Repo and FIS Outright Modules in our upcoming service release.

Austraclear Service Release 13.2 will take place on Saturday, 2 July, 2022 and be live from Monday, 4 July, 2022. Participant testing on the weekend of the Service Release 13.2 is not mandatory.

For more information, please refer to the following market notice:

Service Release 13.2 Market Notice

1. Trade split settlement confirmations

Currently, when first leg repo trades or FIS outright trades are split, it is not possible to send settlement confirmation of the split trade via SWIFT. SR13.2 will include new functionality to send SWIFT confirmation of the split trade (MT545/547) for outright trades and 1st leg repos.

2. Hold 2nd Leg Repo Transactions instead of rejecting

Currently, where the 2nd leg Repo instruction is received from a participant and does not match the counterparty's instruction (which was sent in first), the 2nd leg Repo instruction is rejected. SR13.2 will include updated functionality to hold the 2nd leg Repo instruction (instead of rejecting) to allow participants to see the cause of the mismatch. Either participant can then update the transaction to match the counterparty in the GUI.

3. Market repo View Reneg/Unwind screen

The Market repo View Reneg/Unwind screen will be enhanced as follows: Series and ISIN search criteria fields will allow spaces before and after the value entered to make copying and pasting of Series and ISIN information easier.

4. Introduction of Matching Tolerance

SR13.2 will introduce a matching tolerance for FIS Outright and Repo transactions with a $5 variance (+/- $5). Functionality as follows:

- Matching engine will look for exact amount
- If no match found, matching engine will look for tolerance amount (+/- $5)
- The lowest amount will be taken as the settlement amount for both sides
- MT545/547 Settlement confirmation messages will show the amount that was settled in ACLR and not necessarily the amount entered on the trade instruction if a match was made with tolerance
- MT548 trade status messages will show the updated amount if match was made with tolerance
- The original entered amount is stored in our Database for auditing and support, but it will not be shown on any GUI. ie there is no audit trail available to participants via the GUI
- Matching on 1st leg's Unwind Consideration is no longer required or performed, as this will be matched with tolerance as well

Example:

Here is an example of a repo matching for 1st leg entry and 2nd leg unwind.

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1st leg consideration: Both amounts will be set to the matched lowest tolerance amount (AMOUNT). The original value instructed will be recorded in the new column (TOLAMOUNT*). Please note that the unwind consideration is no longer required to be matching at the point of instructing the 1st leg (UNWINDAMOUNT) This value is ignored when matching 1st legs.

TRADE 1st Leg Repo

PARTICIPANTCODE	COUNTERPARTCODE	STATE	AMOUNT	UNWINDAMOUNT	TOLAMOUNT
PART A	PART B	MATCHED	3,067.46	3,000.56	3,067.46
PART B	PART A	MATCHED	3,067.46	3,070.56	3,068.46

2nd leg consideration: Match with tolerance on the UNWINDAMOUNT for the 2nd leg unwind instruction and both instruction unwind amounts will be set to the lowest value. The new column (TOLAMOUNT*) will show the original value that was entered for the unwind instruction.

UNWIND 2nd Leg Repo

PARTICIPANTCODE	COUNTERPARTCODE	STATE	UNWINDAMOUNT	TOLAMOUNT
PART B	PART A	MATCHED	3,001.55	3,001.55
PART A	PART B	MATCHED	3,001.55	3,004.56

*Please note: 'TOLAMOUNT' is saved in Austraclear database only for auditing and support. This amount is not available in the GUI.

5. Need more information?

The Austraclear Service Desk is available to help answer any questions from participants or their customers in relation to the market repo module and/or any associated functionality relevant to the use of the market repo module (such as deferred settlement, linked settlement, and auto unwind).

Further information on market repo can be found on the Austraclear website or via ASX Online (search "repo") with links to key updates and market notices outlined below:

Market Repo Market Notices
11th December 2019: https://www.asxonline.com/public/notices/2019/dec/1433.19.12.html
17th April 2020: https://www.asxonline.com/public/notices/2020/apr/0338.20.04.html
6th August 2020: https://www.asxonline.com/public/notices/2020/aug/0910.20.08.html
27th August 2020: https://www.asxonline.com/public/notices/2020/aug/1029.20.08.html
15th February 2021: https://www.asxonline.com/public/notices/2021/February/0096.21.02.html
10th March 2021: https://www.asxonline.com/public/notices/2021/March/0285.21.03.html
16 June 2021: https://asxonline.com/public/notices/2021/June/0794.21.06.html

Video on Auto Unwind and Linked Settlement: Auto Unwind and Linked Settlement Demonstration

Updated SWIFT My Standards SWIFT Messages templates:
https://asxonline.com/public/documents/austraclear-my-standards-swift-messages.html

Attached are the latest specifications for MT541 and MT543 SWIFT messaging:

- Austraclear SWIFT Messaging MT541 Receive Against Payment
- Austraclear SWIFT Messaging MT543 Deliver Against Payment

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The Austraclear Service Desk can be contacted on 1300 362 257 or via email to austraclear@asx.com.au

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