

MTS Repo

SFTR Solutions



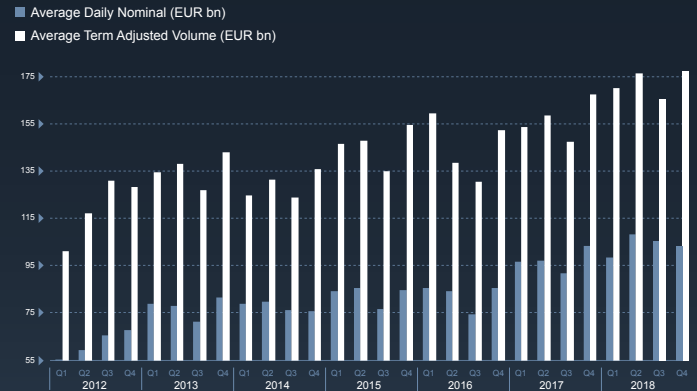
Contents

SFTR overview	3
When will I need to report under SFTR?	4
What will I need to report under SFTR?	5
How will I report under SFTR?	7
MTS enables Buyside and Sellside to overcome these challenges	8
Automate D2D and D2C repo with MTS Repo	9

MTS has operated electronic fixed income markets for over 30 years, supporting a network of over 500 unique counterparties across our platforms in Europe and the US with average daily volumes exceeding EUR 115 billion.

MTS delivers one of the primary sources of liquidity in European Repo trading through its MTS Repo platform.

Leading platform for repo trading



Repo Stats



PARTICIPANTS
150+



DAILY VOLUME
€106bn



ESTABLISHED
20 Years



RECORD DAY
€129bn

SFTR overview



What is SFTR?

The “MiFID II for repo”, SFTR is the Securities Financing Transactions Regulation, an EU law that introduces transaction reporting obligations for the repo and buy-sell back markets. In general, both counterparties to a trade need to report.



Who is in scope for reporting?

With some limited exemptions:

- ▶ EEA firms, including their EEA and non-EEA branches.
- ▶ EEA branches of non-EEA firms.



What needs to be reported?

Trades, lifecycle events such as collateral updates and collateral reuse will have to be reported to a Trade Repository, such as UnaVista, by T+1.

When will I need to report under SFTR?

▶ SFTR reporting – provisional timeline

Q2 ▶
2019

SFTR Technical Standards come into force

SFTR Reporting

Q2 ▶
2020

1st Wave - Banks
▶ 12 months later

Q3 ▶
2020

2nd Wave - CCPs and CSDs
▶ + 3 months

Q4 ▶
2020

3rd Wave - All other Financial Counterparties
▶ + 6 months

Q1 ▶
2021

4th Wave - Non-Financial Counterparties
▶ + 9 months

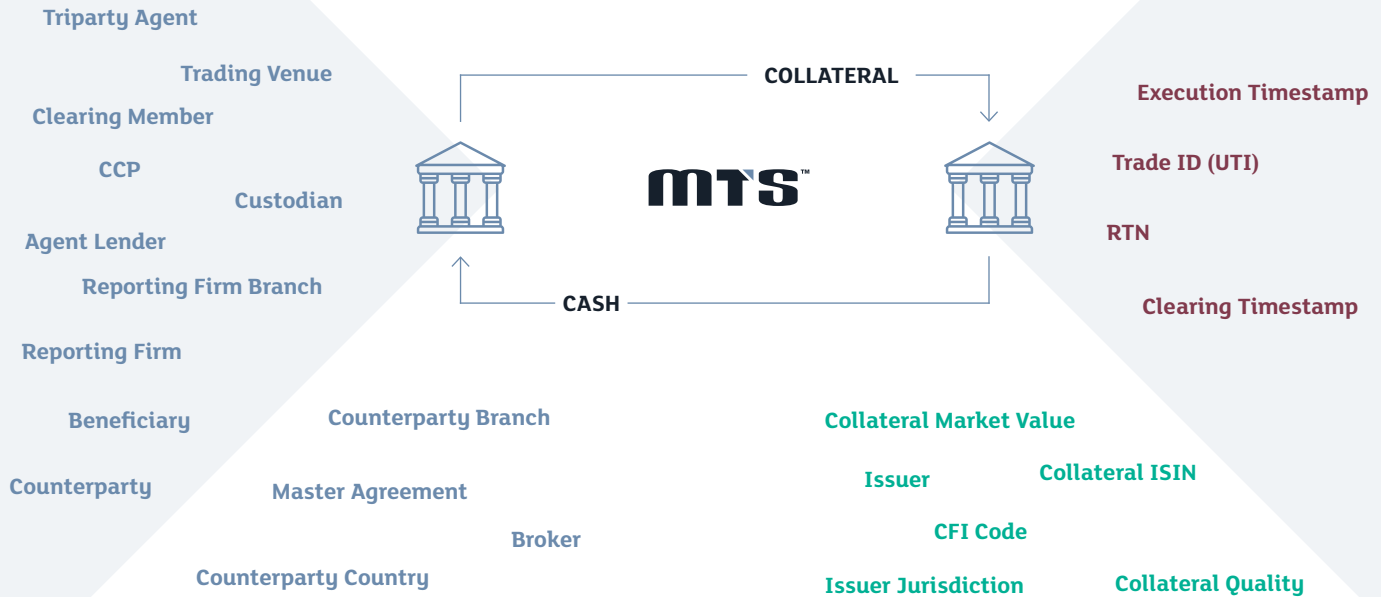
CHALLENGE

- ▶ Banks need info about their counterparties before those counterparties need to report!



What will I need to report under SFTR?

Up to 110 fields are in scope for repo with 57 matching fields
 → high risk of “reporting breaks”



How will I report under SFTR?

Significant challenges for both D2D and D2C repo

- ▶ Multiple manual processes, inefficient workflows and limited standardisation!

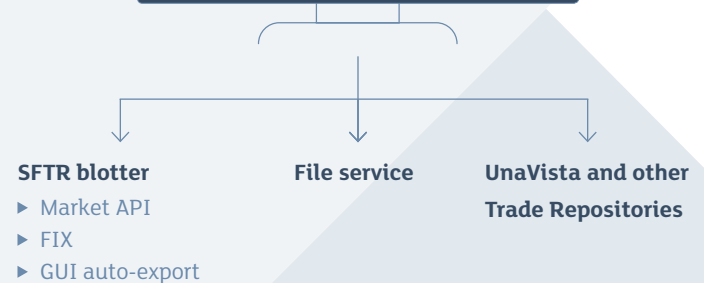


MTS enables Buyside and Sellside to overcome these challenges



mts™

- ✓ Maintain client relationships while ensuring SFTR compliance
- ✓ Flexible electronic protocols
- ✓ Support client reporting



Automate D2D and D2C repo with MTS Repo

MTS™

MENU ORDER STAGING TRADING BLOTTER DATA ALERTS

OPEN RFQ/OTC Search Bonds ...

REPO AT CY DE DK ES FI FR GR HU IRL ISR IT

ISN DESCRIPTION START END COUNTERPARTY BILATERAL SIZE RATE RATE SIZE BILATERAL COUNTERPARTY

IT0005030504 BTPS 1.500 01/0
 IT0005030504 BTPS 1.500 01/0
 IT0004489610 BTPS 4.250 01/0
 IT0004489610 BTPS 4.250 01/0
 IT0005217929 BTPS 0.050 15/1
 IT0005069395 BTPS 1.050 01/1
 IT0005069395 BTPS 1.050 01/1
 IT0003644769 BTPS 4.500 01/0
 IT0003644769 BTPS 4.500 01/0
 IT0004536949 BTPS 4.500 01/0
 IT0004536949 BTPS 4.250 01/0
 IT0004536949 BTPS 4.250 01/0
 IT0005107708 BTPS 0.700 01/0
 IT0005107708 BTPS 0.700 01/0
 IT0005250946 BTPS 0.350 15/0
 IT0004594930 BTPS 4.000 01/0
 IT0004594930 BTPS 4.000 01/0
 IT0005285041 BTPS 0.200 15/1
 IT0005142443 BTPS 0.650 01/1
 IT0005142443 BTPS 0.650 01/1
 IT0004634132 BTPS 3.750 01/0
 IT0004634132 BTPS 3.750 01/0
 IT0005330961 BTPS 0.05 14/04
 IT0004966401 BTPS 3.650 01/0
 IT0004966401 BTPS 3.650 01/0
 IT0005175598 BTPS 0.450 01/0
 IT0004009673 BTPS 3.750 01/0
 IT0004009673 BTPS 3.750 01/0
 IT0004895075 BTPS 4.750 01/0
 IT0004895075 BTPS 4.750 01/0
 IT0005348443 BTPS 2.300 15/1
 IT0005216491 BTPS 0.350 01/1
 IT0005028003 BTPS 2.150 15/1
 IT0005028003 BTPS 2.150 15/1
 IT0004759673 BTPS 5.000 01/03/22 T N MTS MILANO ✓ 250.00 -0.04 -0.04 250.00 ✓ MTS MILANO
 IT0004759673 BTPS 5.000 01/03/22 T N MTS MILANO ✓ 250.00 -0.04 -0.04 250.00 ✓ MTS MILANO
 IT0005244782 BTPS 1.200 01/04/22 T N MTS MILANO ✓ 250.00 -0.04 -0.04 250.00 ✓ MTS MILANO
 IT0005086886 BTPS 1.350 15/04/22 T N MTS MILANO ✓ 250.00 -0.04 -0.04 250.00 ✓ MTS MILANO

RFQ OUTRIGHT

Floating START 12/01/2017 END 12/01/2017 MIFID INFO Inv. Dec / Ord Exe / Client ID

Bilateral

BUY TN + ITALY BTPS 0.700 01/05/20 50 0.250 NO HAIRCUT

CASH PREVIEW CLEARING AGENT ALLOCATION INFO

-50,945,547.95 LCH

PRICING

DEALER	BILATERAL	SIZE	RATE
DEALER 1		10	-0.04
DEALER 2		10	-0.04
DEALER 3		10	-0.04
DEALER 4		10	-0.04
DEALER 5		10	-0.04

DEALER SELECTION

Dealer Groups

DEALER 1 DEALER 2 DEALER 3 DEALER 4 DEALER 5 DEALER 6 DEALER 7 DEALER 8 DEALER 9
 DEALER 10 DEALER 11 DEALER 12 DEALER 13 DEALER 14 DEALER 15 DEALER 16 DEALER 17 DEALER 18

SEND RFQ

IT0005107708 - BTPS 0.700 01/05/20

REPO INDICATIVE BOOK

DEALER	SIZE	BILAT	RATE	RATE	BILAT	SIZE	DEALER
DEALER 44	10		-0.04	-0.04		10	DEALER 39
DEALER 39	10		-0.04	-0.04		10	DEALER 24
DEALER 24	10		-0.04	-0.04		10	DEALER 44
DEALER 29	10		-0.04	-0.04		10	DEALER 9
DEALER 9	10		-0.04	-0.04		10	DEALER 29
DEALER 37	10		-0.04	-0.04		10	DEALER 2
DEALER 12	10		-0.04	-0.04		10	DEALER 37
DEALER 2	10		-0.04	-0.04		10	DEALER 30
DEALER 45	10		-0.04	-0.04		10	DEALER 6
DEALER 22	10		-0.04	-0.04		10	DEALER 11
DEALER 15	10		-0.04	-0.04		10	DEALER 45
DEALER 30	10		-0.04	-0.04		10	DEALER 22
DEALER 32	10		-0.04	-0.04		10	DEALER 15
DEALER 29	10		-0.04	-0.04		10	DEALER 19
DEALER 28	10		-0.04	-0.04		10	DEALER 28
DEALER 38	10		-0.04	-0.04		10	DEALER 38
DEALER 21	10		-0.04	-0.04		10	DEALER 32
DEALER 6	10		-0.04	-0.04		10	DEALER 21
DEALER 19	10		-0.04	-0.04		10	DEALER 29
DEALER 31	10		-0.04	-0.04		10	DEALER 31
DEALER 45	10		-0.04	-0.04		10	DEALER 9
DEALER 27	10		-0.04	-0.04		10	DEALER 22

BTPS 5.000 01/03/25 EUR 2MM@98 SPGB 4.850 31/10/20 EUR 1MM@99.9 SPGB 5.850 31/01/22 EUR 1MM@99.9 BTPS 5.000 01/03/25 EUR 2MM@98

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