



**NATIONAL  
CLEARING  
CENTRE**  
MOSCOW EXCHANGE GROUP

Clearing Department

## **Change of the Trade Accounts coding**



# Reason for changes

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1. **Planned strengthening of control from the direction of the Bank of Russia over fulfillment by professional securities market participant of the requirements for clients' funds segregation**
2. **Bank of Russia drafts law on segregation**



**Signification increase in the number of** opened:

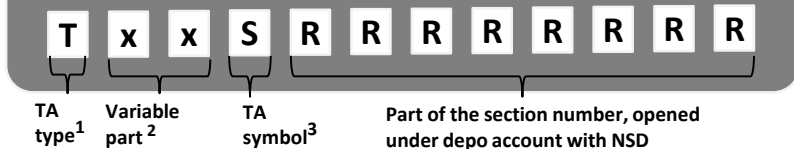
- **Settlement Accounts and Trade Accounts (TA of the 1<sup>st</sup> level)** in Trading and Clearing System of the **securities** and **FX** markets

# Securities market: changing coding of the TA of the 1<sup>st</sup> level

Today's situation  
(existing restrictions)

Clearing Member

TA of the 1<sup>st</sup> level: current coding



- 1 – **TA type**: «S», «L», «Y» etc.
- 2 – **variable part**: directly forms TA number
- 3 – **символ ТКС**: «+», «-», «~» - for ordinary TA; «b», «e», «u», «x» - for asset pool TA

## Drawbacks:

**Maximum number of opened TA**  $[(10+26)^2=1\ 296]$  \* **is not enough**

Planned changes

Clearing Member

TA of the 1<sup>st</sup> level: planned coding



- 1 – **TA type**: «S», «L», «Y» etc.
- 2 – **TA symbol**: «+», «-», «~» - for ordinary TA; «d» - for TA, opened for execution of deposit agreements, «b», «e», «u», «x» - for asset pool TA
- 3 – **overall counter**, does not depend on TA type and level, which consists of 10 symbols and 6 uppercase letters of English alphabet

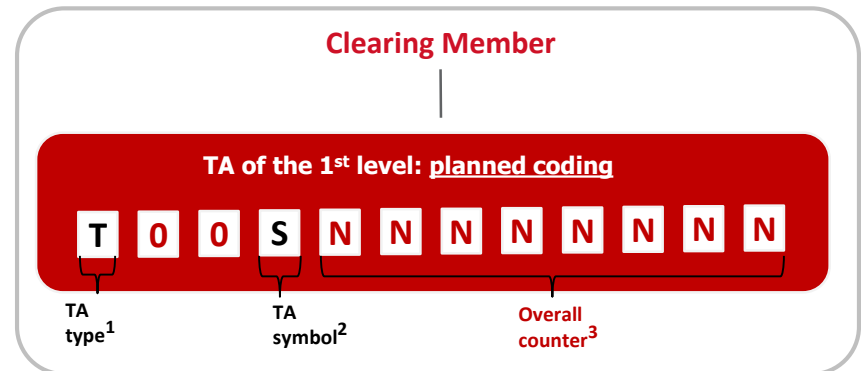
## Expectation:

**Maximum number of opened TA**  $16^8=4\ 294\ 967\ 296$  **will increase significantly**

# FX market: changing coding of the TA of the 1<sup>st</sup> level

**Coding** TA in Trading and Clearing system of the securities and FX markets **shall be unified** – **with one, Common with the Trading and Clearing system of the securities market counter NNNNNNNN**

## Planned changes



1 – TA type: «S», «L», «D» etc.

2 – TA symbol: «+»

3 – **overall counter**, does not depend on TA type and level, which consists of 10 symbols and 6 uppercase letters of English alphabet

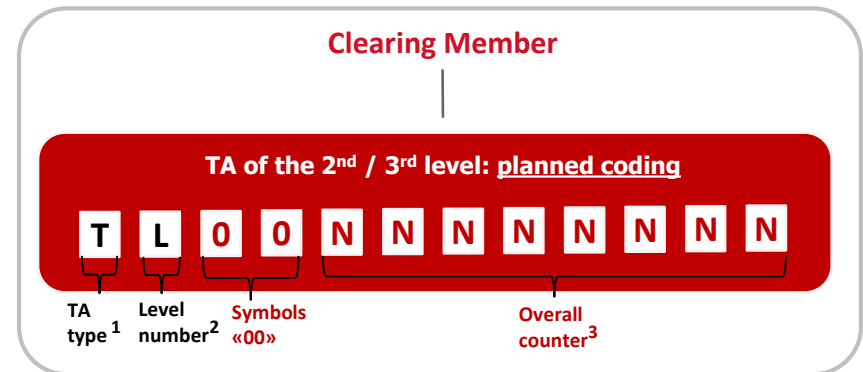
### Expectations:

**Maximum number of opened TA**  $16^8=4\ 294\ 967\ 296$  **will increase significantly**

# Securities and FX markets: changing coding of the TA of the 2<sup>nd</sup> / 3<sup>rd</sup> level

**Coding** TA of the 1<sup>st</sup>, 2<sup>nd</sup> and 3<sup>rd</sup> level in Trading and Clearing systems of the FX and securities market, **which contains Unified overall counter, gives an opportunity to not re-code** already opened TA of the 2<sup>nd</sup> and 3<sup>rd</sup> level **when joining Unified Pool**

## Planned changes



- 1 – TA type:** 1<sup>st</sup> symbol of the relevant TA of the 1<sup>st</sup> level
- 2 – level number:** second or third
- 3 - overall counter,** does not depend on TA type and level, which consists of 10 symbols and 6 uppercase letters of English alphabet

# Re-coding advantages

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## Proposed coding:

### Regarding Trading and clearing system of the securities and FX markets:

- ✓ **DOES NOT contain** internal information, which can be possibly changed (for example, 3<sup>rd</sup> level does not contain information on the 2<sup>nd</sup> one)
- ✓ **DOES NOT require** re-coding of already opened TA when joining Unified Pool
- ✓ **DOES NOT cross** coding of opened "old" TA

*Additionally, Clearing Member will be provided with an opportunity to replace TA in non-settled trades, which will secure transfer from old TA to new ones*

