CTM™

PRODUCT RELEASE INFORMATION: RELEASE 4

NOVEMBER 13, 2018

Introduction

This document describes enhancements in Release 4 of the CTM™ service, most of which serve CTM engaged in U.S. domestic trading activities as follows:

- USDI—The workflow through which CTM connects to DTC using TradeSuite ID
- USDM—An alternate USDI workflow to support TradeSuite ID confirm submission for non-USDI institution counterparties.

Note

When referring collectively to USDI **and** USDM, this document uses the term *USDI/M*.

To learn more about USDI/M, see the USDI Domestic Trade Processing: Reference and Best Practices.

Short Sales for USDI Clients

Exclusively for USDI/M broker/dealers, this release adds two fields in the TradeDetail, InfoResponse, and InfoSettlementResponse messages to indicate a short sale on USDI TradeSuite ID™ confirms:

- *LongShortIndicator*
- *AccountType*

For more information, see the following documents:

- XML Message Specification: Debt/Equity and Common Messages
- Common Reference Data
- Data Dictionary

Subscription Option

DTCC requires the new LSID subscription option to enable the following:

- Broker/dealers can receive the new fields on response messages from CTM.
- CTM sends the new fields down to the TradeSuite ID service.

Additionally, investment managers can subscribe to LSID (Long Short Indicator) to view broker/dealer's information on their response messages using an `Against` query (*ViewRequestedIndicator*=A).

Error Handling

For USDI broker/dealers, CTM generates the new Asynchronous Error A90019 in the InfoResponse if they fail to submit the *SettlementAmount* composite or, when submitted, *CurrencyCode* is not `USD` for a *PSET* of `DTC` or `FED`. For more information, see the Error Code Data Reference.

ChargeTaxType Parameters

For USDI broker/dealers that typically send *ChargeTaxType*=`REGF` (for Regulatory Amount), this is not possible when the counterparty investment manager has its OGCO (OASYS Global Commissions Only) subscription set to `Yes`.

Starting with this release, when the investment manager's *OGCO*=`Yes`, CTM broker/dealers are required to submit *ChargeTaxType*=`LOCL` (for Local Tax) and DTCC will map the corresponding amount into the *Registration/Shipping or Fees* TradeSuite ID field for USDI and USDM trades.

USDM Workflow Affirming Party Indicator Enhancement

Currently in CTM, if both parties to a trade are subscribed to U.S. Depository Interface (USDI), and all five criteria for USDI are met, a *Match Agreed* (*MAGR*) trade triggers an automatic affirmation. The affirmation causes CTM to send an Affirmation message down to the TradeSuite ID service. This process does not allow for USDI nor USDM (U.S. Depository Interface External Affirmation) trade details to be processed independently of the block. Investment managers (instructing parties) may have some accounts represented in the block that are auto-affirming, and some that are not.

This release includes an enhancement that leverages the ALERT® platform *Affirming Party Indicator* field as a sixth criterion to inform CTM of the affirming party for the traded account. Based on that value, it also triggers the `USDI` or `USDM` *WorkflowModifier* designation. Whether clients use manual or ALERT settlement instruction enrichment, the *AffirmingPartyIndicator* value provided by the executing broker on the instructing party's behalf in CTM is the deciding factor between a *WorkflowModifier* of `USDI` or `USDM`.

Note

If the instructing party's *AffirmingPartyIndicator* is set to `A` (for Agent) on the executing broker's TradeDetail, meaning an Agent is affirming the transaction, then CTM assigns the `USDM` value to the *WorkflowModifier* field for the executing broker's TradeDetail—whether or not the instructing party is subscribed to `USDI`. This flexibility allows for CTM blocks to contain USDI **and** USDM TradeDetails that affirm independently of each another.

PlaceOfSafekeeping Updates

This release includes some enhancements to logic of the *PlaceOfSafekeeping* field as it relates to the following subscription options:

- CBIC—Copy BIC
- SAFE—Place of Safekeeping

CBIC Subscription Option

The last CTM release introduced the CBIC subscription option to enable investment managers to have CTM copy the *PlaceOfSettlement* (PSET) to *PlaceOfSafeKeeping* (PSAFE). This action resulted in SWIFT tag `:94F::SAFE//` being populated on their Settlement Notification-generated SWIFT message (only when the buy-side and sell-side settlement locations are different).

This release extends the same CBIC logic for executing brokers. For executing brokers subscribed to the CBIC subscription option, CTM will copy the executing broker's *PlaceOfSettlement* (PSET) to *PlaceOfSafeKeeping* (PSAFE). to allow them to populate SWIFT tag `:94F::SAFE//` on their own generated SWIFT messages (only when the buy-side and sell-side settlement locations are different).

SAFE Subscription Option

The SAFE subscription option is available and enabled for CTM broker/dealers and investment managers. It controls the presence of the *PlaceOfSafekeeping* composite in the InfoResponse and InfoSettlementResponse messages. Currently, when the SAFE subscription option is set to `YES` for broker/dealers, CTM only returns the *PlaceOfSafekeeping* in the InfoResponse message. With this release, the *PlaceOfSafeKeeping* will also be visible for broker/dealers in the InfoSettlementResponse.

Support for ALERT Key Auto Select (AKAS)

This release includes new ALERT platform functionality that allows all clients to establish preferred settlement rules for the autocreation of the ALERT keys required for construction of a Standing Settlement Instructions (SSI).

For clients that subscribe to the new AKAS option, implementation is simple:

- On your direct XML trades, include the new `AKAS` value as the settlement source in the SettlementInstructionsSourceIndicator field.
- Leave all of the following ALERT and AKAS fields blank on your inbound trades:

AlertCountryCode	*AKASAlertCountryCode*
AlertMethodType	*AKASAlertMethodType*
AlertSecurityType	*AKASAlertSecurityType*
AlertSettlementModelName	

Based on the ISIN, CUSIP, or SEDOL of the traded security, CTM derives the country and security type, which generates the SSI, thereby increasing your chances of the shortest settlement cycle possible. You can use the default SSI, which is standard in the majority of the countries worldwide or add rules to choose a different SSI. AKAS helps you manage SSI choices more effectively and reduce settlement errors, specifically those caused by incorrect SSIs on your trades.

For more information, see the *ALERT Key Auto Select (AKAS): Implementation Guide* in Institutional Trade Processing → Cross-Product. Access to the document requires one-time registration, which can take up to 24 hours.

SWIFT Mapping of Research Commission Type

As of November 18, 2018, the CTM production Settlement Notification/Third Party Notification service will begin to map the Research (RSCH) *CommissionType* to SWIFT tag :19A::RSCH//.

Related Documents and Training

For related documents and training in the DTCC Learning Center, go to Institutional Trade Processing → CTM.

Questions?

The DTCC Client Center provides general assistance and technical help. Visit www.dtcc.com/client-center to:

- Enter a service request or check the status of an existing service request
- Search the knowledge base
- Obtain contact information