UK NMPG Country Report

21 March 2016

# Current Market Practice Status

## Orders

Trading in UK pension funds adheres to the UKFMPG Corporate Pension Order Processing market practice (aka ViaNova) based on ISO 200022. Usage of the market practice is widespread and participants closely adhere to the standard.

A market practice has been defined for general mutual fund order processing but this is not used. Outside of pension funds, order processing typically employs proprietary formats.

## Account Management

No market practice defined. Processing is undertaken manually or using propriety mechanisms.

## Statements

ISO 20022 used for pension funds (see ViaNova above).

Otherwise reporting uses propriety formats.

## Price Reporting

ISO 20022 used for pension funds (see ViaNova above).

Otherwise reporting uses propriety formats.

## Transfers

Portfolio and asset transfers adhere to the UKFMPG Transfers market practice based on ISO 20022. The market practice covers a wide range of account wrapper types and asset types and includes support for sub-custodians. Usage of the market practice is widespread and participants closely adhere to the standard.

## Conversions

Market practice defined but not currently used.

## Funds Cash Forecast

No market practice defined.

## Hedge / Alternative Funds

SHARP market practice defined a few years ago but not used. GAIA market practice now defined but no usage reported.

# Next Steps / Future Market Practice

## Orders

New sub-group planned to revisit the general mutual fund order processing market practice.

The ViaNova sub-group continues to actively develop and promote STP for UK pension funds.

## Statements

A new sub-group established to produce and promote a new market practice for holdings and transaction statements.

## Transfers

The transfers sub-group continues to actively develop and promote automated transfers.

Updates planned for further regulatory and operational changes.

# Maintenance of market Practice

The UKFMPG Transfers sub-group will be raising change requests for transfer messages.

Order related market practices will need to take account of the planned 2017 order message updates.

# National Group / Initiative

See next steps above.

# Migration ISO 15022 to 20022 Status

ISO 15022 has never been used to any significant degree in the UK for funds order processing and therefore the migration will have negligible impact.

# Other Market Practice

See current market practices above.

# Legislation Impacts / News

Huge amount of UK and European regulatory changes in the pipeline that will impact existing market practice and may create demand for new standards (most notably MiFID II, FAMR, and UK tax).

# Miscellaneous

All UKFMPG market practices and associated documentation are published in MyStandards.