



Standards

MyStandards

For SMPG and NMPG

Rules for the Specification of SMPG & NMPG Market Practice/Message Usage Guidelines

This document provides the rules that must be followed by SMPG and NMPG groups when specifying their message usage guidelines in the MyStandards Usage Guideline Editor. The document may also be useful for institutions creating message usage guidelines.

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Preface

Purpose of the document

This document provides the rules that must be followed by SMPG and NMPG groups when specifying their message usage guidelines in the MyStandards Usage Guideline Editor. The document may also be useful for institutions creating message usage guidelines.

Audience

This document is for the following audience:

- Users of the MyStandards Usage Guideline Editor
- Creators of SMPG, NMPG and institution-specific message usage guidelines

Pre-requisites

Users of this document are expected to be familiar with the philosophy of MyStandards and knowledgeable about its functionality.

First edition

This is the first edition of the document.

Version Notes

None.

Related documentation

- *MyStandards Service Description*
- *MyStandards Best Practices*
- *My Standards Usage Guideline Editor User Guide*

1 Introduction

The SMPG working groups and regional/local NMPGs define their use of a message by setting recommendations and restrictions on the message format using the Usage Guideline Editor.

It is imperative that all market practice groups define how they restrict a “base SWIFT message” in a consistent manner in the Usage Guideline Editor so that future processing, such as running a comparison of an SMPG market practice against an NMPG market practice provides a useful result. This document sets out the rules that must be followed for the specification of a market practice.

2 Defining a Market Practice

Market Practices are defined in MyStandards as Usage Guidelines and should be designed to be absolutely minimal, explicit, and clear.

A Usage Guideline represents the actual market recommendation (or 'baseline'):

- Any optional or mandatory field/element remaining is part of the recommendation.
- Any 'removed' optional element/field is not part of the recommendation.

In summary, once all the 'removed' restrictions have been applied then the fields/elements which remain are the recommendation. Note, these remaining fields/elements may have other restrictions (such as a rule or format restriction) applied.

It is possible to define a restriction on each field/element (see Chapter 2.1 'Restriction Types'). This means that each Market Practice will be very detailed, accurate and formally defined. As such, the following must be considered:


- [1] deciding for a mandatory field/element whether a specific optional qualifier, code, or format option may be included as part of the recommendation or not
- [2] deciding for an optional field/sequence, whether it may be included as part of the recommendation or not
- [3] if the decision is to include an optional field, if necessary, there may need to be a decision on whether a specific qualifier, code, or format option should be included as part of the recommendation or not

Note At NMPG level, any SMPG level restriction may be overruled or reverted if necessary.

For individual institution or market infrastructure implementers:

An SMPG or NMPG market practice can be taken as a baseline or starting for implementation. However, a thorough review and analysis of the market practice recommendation will need to be undertaken to judge its suitability within the institution's context and as a result, some adjustments may have to be made to the market practice in order to generate a schema that reflects the desired implementation.

2.1 Restriction Types

#	Restriction Type	Description
1	Remove 	An optional field or element must not be populated. (That is, it is not part of the SMPG/NMPG recommendation.)
2	Make Mandatory	An optional field or element or code or format must be populated. (That is, it is part of the SMPG/NMPG recommendation.)
2a	Leave Optional	An optional field or element or code or format may be populated. (That is, it remains part of the SMPG/NMPG recommendation.)

3	Reduce Multiplicity	A repeating field or element must repeat fewer times.
4	Ignore	A field or element could be populated but is ignored by the receiver. DO NOT USE WHEN DEFINING SMPG/NMPG MARKET PRACTICE.
5	Text Rule	A mandatory, unstructured, rule.
6	Conditional Rule	A mandatory, “if-then-else” rule.
7	Fixed Value	A field or element must contain a given value.
8	Comment	Information which cannot be expressed in a more structured way. AVOID USING, USE A RULE OR ANNOTATION INSTEAD.
9	Annotation	A user-defined structure if any of the defined “built-in” restrictions are insufficient.
10	Change Datatype	A user-defined datatype replaces an existing simple datatype.
10a	Restrict field length	This involves changing the underlying datatype to an existing, or to a user-defined, data type, for example, change Max35Text to Max16Text.
11	Create Extension	A user-defined extension. MX SPECIFIC. SETTLEMENT & RECONCILIATION AND CORPORATE ACTIONS - NO KNOWN USAGE YET.
12	Synonym	A field or element has an alternate name.

2.2 The Use of Rules

For restrictions that cannot be expressed as, for example, a simple ‘do not use’ or ‘must be present’ or as a reduction in multiplicity, then:

Rule: determine if the market practice can be expressed as a rule, and whether the rule can be expressed as a conditional rule or a simple rule.

Conditional Rule: an “If .. then” statement.

	Example market practice	Specification in Usage Guideline Editor
1	SMPG Funds decides to mandate the use of the requested settlement currency element in an order instruction if the order is specified as a number of units and the settlement currency is to be different from the currency used for pricing (NAV currency).	A rule is added to the Individual Order Details sequence: <i>“Units and Requested Settlement Currency Rule”</i> <i>If UnitsNumber is present and the settlement currency differs from the NAV currency, then RequestedSettlementCurrency must be present.</i>
2	SMPG Funds decides that the optional charge details sequence must be used in an order confirmation if a charge has been applied to a transaction.	A rule is added to the Charge General Details sequence: <i>“SMPG Charge Rule”</i> <i>If a charge has been applied to the transaction, then ChargeGeneralDetails / ChargeDetails</i>

		<i>must be specified.</i>
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'Simple' Rule (used when the rule cannot be expressed as an "If .. then" statement)

	Example market practice	Specification in Usage Guideline Editor
1	SMPG Funds decides to specify the value to use the physical delivery indicator field.	<p>A rule is added to the PhysicalDeliveryIndicator field:</p> <p>"SMPG Physical Delivery Indicator Rule" <i>Must be '0' or 'false'.</i> <i>Although rules are formal restrictions, they are currently expressed informally in MyStandards. There are more formal ways to express this particular restriction:</i></p> <p>[1] <i>Change the type of the element from YesNoIndicator to a newly defined code list datatype with codes for 'false' and '0'. Note that this code list would not be ISO 20022 compliant and this may be a factor in considering whether to express this restriction using a code list.</i></p> <p>[2] <i>Change the type of the element from YesNoIndicator to a newly-defined text datatype with a pattern set to 'false' or '0'.</i></p>
2	SMPG Funds decides that charges should only be applied to the order instruction if they deviate from the charges previously agreed.	<p>A rules is added to the Charge Details sequence:</p> <p>"SMPG ChargeRule" <i>May only be used to request a variation to the standard charge terms.</i></p>

2.3 The Use of Annotations

For usage information that cannot be expressed as a restriction such as 'do not use', 'must be present', a reduction in multiplicity or as a rule, then:

Rule – consider the use of an annotation:

	Example market practice	Specification in Usage Guideline Editor
1	SMPG Funds decides for the trade date field that some additional usage information is required that isn't covered in the definition of the element.	<p>An SMPG Usage Information annotation is added to the Trade Date field:</p> <p>SMPG Usage Information <i>TradeDateTime is also the "Reference Value Date" for UCITS purposes in forward priced orders.</i></p>
2	SMPG Funds decides that the definition of the Net Amount field needs to be changed in the standard and whilst waiting for the standard to be changed (which is the case of funds orders is a number of years) SMPG needs to	<p>An SMPG Semantic Redefinition annotation is added to the Net Amount field:</p> <p>SMPG Semantic Redefinition <i>Amount of money invested in the fund.</i> <i>Net Amount = Quantity * Price</i></p>

	make the new definition available.	
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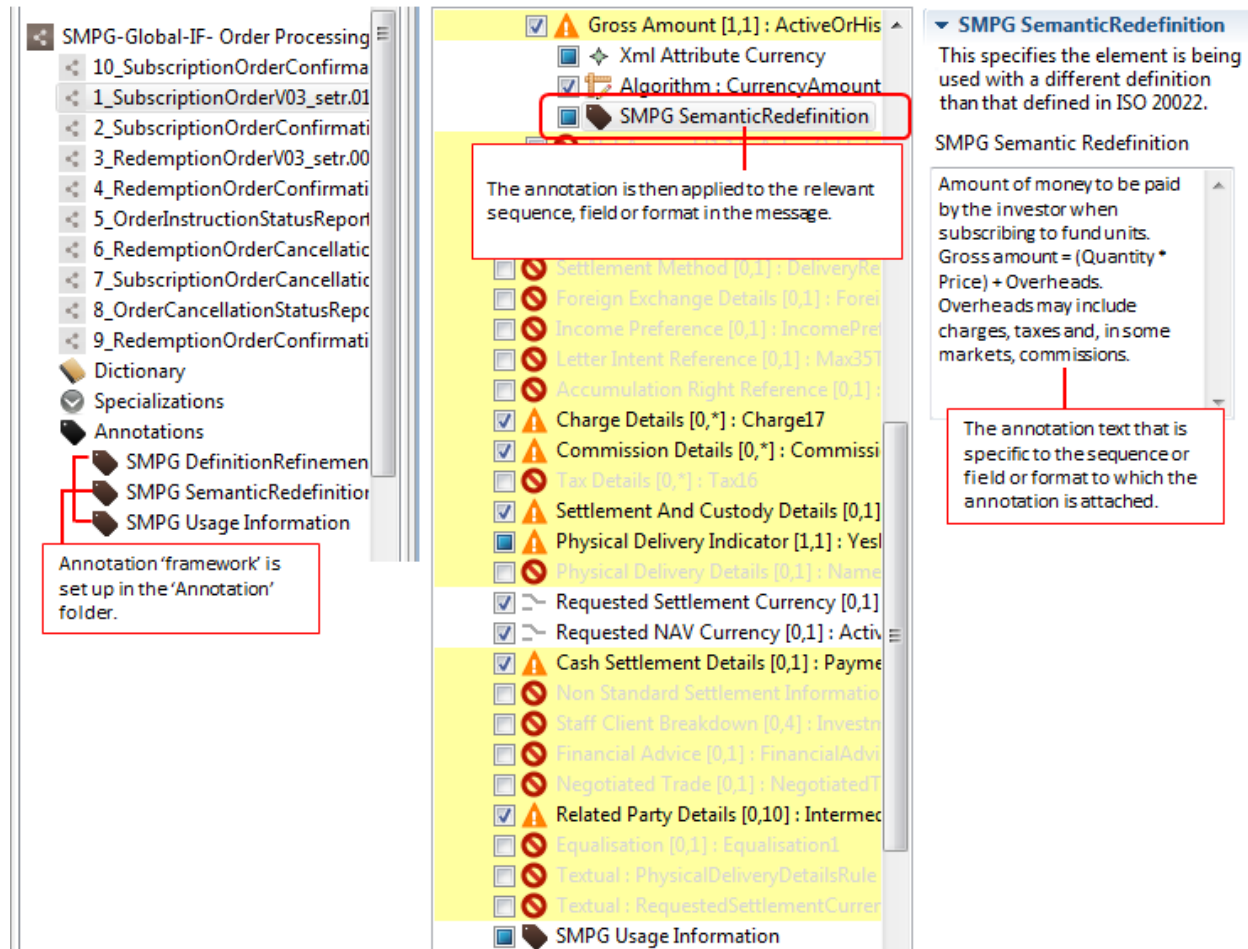
2.3.1 Annotation Types

Before using the annotation functionality there needs to be a certain amount of analysis to decide which kinds of annotation 'frameworks' are required. Some markets may only require one kind of annotation. SMPG Funds has defined frameworks for three annotations and it is suggested to follow re-use same annotation types:

	Annotation Type	Example
1	SMPG Usage Information <i>This specifies additional market practice usage information.</i>	SMPG Usage Information <i>TradeDateTime is also the "Reference Value Date" for UCITS purposes in forward priced orders.</i>
2	SMPG Semantic Redefinition. <i>This specifies the element is being used with a different definition than that defined in ISO 15022/20022.</i> (This kind of annotation is needed by funds because of the maintenance freeze. A semantic redefinition will result in a change request for the standard.)	SMPG Semantic Redefinition <i>Amount of money invested in the fund.</i> <i>Net Amount = Quantity * Price</i>
3	SMPG Definition Refinement. <i>This specifies additional definition information.</i> (The basic definition of an element is good but some additional definition information or a more specific definition is required. May or may not result in a change request.)	SMPG Definition Refinement: <i>For a prepaid order, this is the date when the cash settlement was received.</i> <i>For a non-prepaid order this is the date when the cash settlement is expected.</i>

All of the Funds annotation frameworks have been 'formatted' as multi-line text.

2.3.2 Diagram – annotation and its application



2.3.3 Annotation Framework – Format Enumeration

As said previously, before an annotation 'framework' can be created, a certain amount of analysis of what kind of market practice needs to be expressed and best way to express this using the Usage Guideline Editor is required. The following is a fictitious example of the use of an annotation framework with enumerated values.

Example: a single usage guideline is being used for both bonds and shares. The majority of the fields in the message usage guideline are common to both bonds and shares. However, some fields are only relevant for bonds and some only for shares.

Setting up an annotation framework with enumerated values and then using this annotation in the usage guideline might (or might not) be the best way of expressing this kind of market practice.

The annotation framework would have two values, for example, [1] 'bonds only' and [2] 'shares only'.

When the annotation is applied to the field, the enumerated value is selected from a pull down menu containing the two values.

2.3.4 Annotation Framework – Format Boolean



Currently there is no known usage for this type of annotation.

2.4 Examples

2.4.1 Mandatory Field with Format Options – 98a SETT

98a SETT is mandatory in the standard. However, the field has three format options, A, B and C.

The market practice needs to state that 98B SETT is not to be used, 98A SETT and 98C SETT are both allowed. 98C is preferred, but because not all institutions can provide the time, 98A is recommended.




	What to do in the editor
98A	Nothing
98B	
98C	<p>Use the annotation functionality. For example, add the annotation type “SMPG Usage Information” to 98C and specify text such as:</p> <p>“Not all institutions can provide the time and not all institutions can process the time, so 98A is the recommendation.”</p> <p>An alternative is to set this element as  or as rule depending on the market practice.</p>

It can be seen that a combination of restriction types have been used to express the full market practice for this 98a field.

2.4.2 Optional Field with Format Options – 98a PREP



98a PREP is optional in the standard. However, the market practice specifies that 98a PREP must always be included. The field has three format options, A, C and E.

The market practice needs to state that 98A is not to be used, 98C and 98E are both allowed.

	What to do in the editor
98a Date/Time	Min Occurs  1 Max Occurs 1
Preparation Date Time	Min Occurs  1 Max Occurs 1
98A	
98C	Nothing.
98E	Nothing.

2.4.3 Mandatory Field But Some Qualifiers Not Allowed AMT\19A

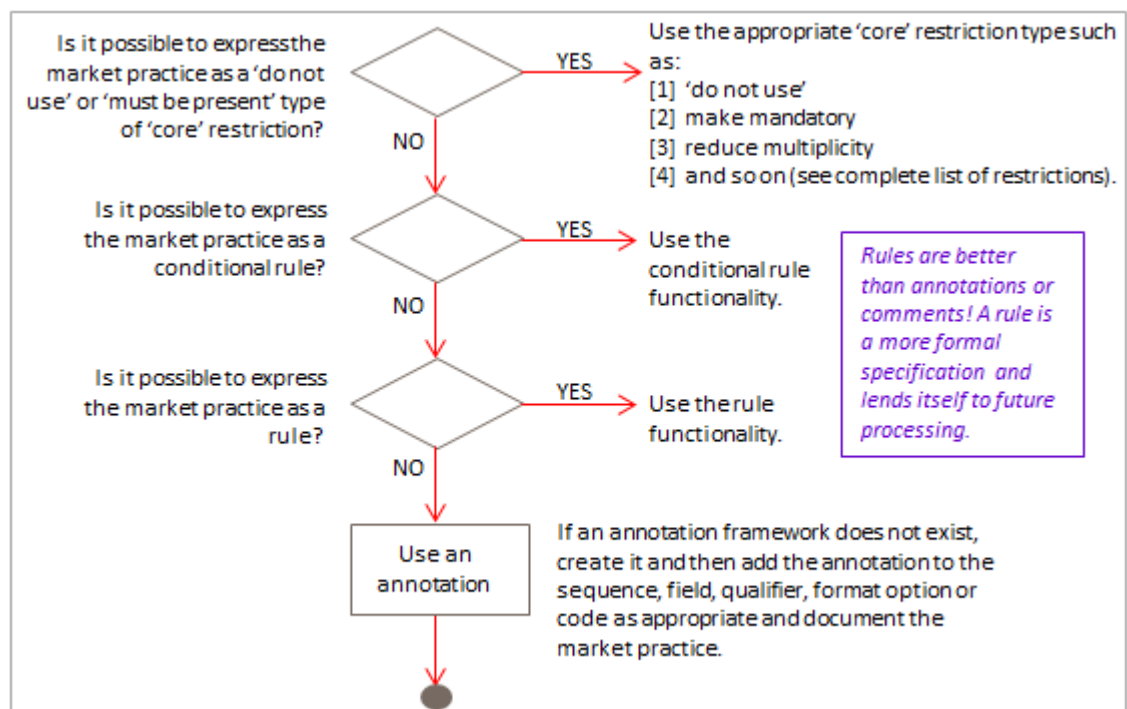
In the standard, it is mandatory to include AMT \ 19A SETT in a message instance. However, market practice specifies that that the optional 19A DEAL field must be present. The other 19A qualifiers are not part of the SMPG or NMPG recommendation and are therefore designated as ‘do not use’

	What to do in the MyStandards Usage Guideline Editor
ACRU	
CHAR	

COUN	⊘
DEAL	Make mandatory.
EXEC	⊘
ISDI	⊘
LEVY	⊘
LOCL	⊘
LOCO	⊘
OTHR	⊘
REGF	⊘
SETT	Nothing.
SPCN	⊘
TRAX	⊘
VATA	⊘
WITH	⊘





(Not all 19A qualifiers are shown in the above example.)

2.5 Summary 1 - Choose The Right Restriction Type



2.6 Summary 2 - Market Practice Recommendation – Quick Reference

Base Message	Market Practice Recommendation	MyStandards Usage
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		Guideline Editor
Mandatory Field One qualifier + one format		Do nothing
Mandatory Field One qualifier + multiple formats		Do nothing (at the level of the field)
Format A	May be used	Do nothing
Format B	Is recommended in a specific context	Apply Rule or Annotation
Format C	Is not recommended	Apply 
Optional Field	May be used	Do nothing
	Is recommended in a specific context	Apply Rule or Annotation
	Is not recommended	Apply 
	Must be used	Make mandatory
Optional Qualifier	May be used	Do nothing
	Is recommended in a specific context	Apply Rule or Annotation
	Is not recommended	Apply 
	Must be used	Make mandatory
Optional Code	May be used	Do nothing
	Is recommended in a specific context	Apply Rule or Annotation
	Is not recommended	Apply 
	Must be used	Make mandatory

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