



09 December 2020

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Guidelines No.: SSSS/02/2020

To: All Participants of the LankaSettle System

**Guidelines on Recording of Secondary Market Transaction data
and sending Securities Settlement Instructions to the
Scripless Securities Settlement System (SSSS)**

1. With a view of enhancing the accuracy and reliability of the data recorded in the LankaSecure system on Government securities transactions, the Central Bank of Sri Lanka has decided to reinforce the current transaction recording requirements and improve transaction recording practices in the secondary market with reference to the Rule 2.2 and Rule 5 of Volume 3 of the LankaSettle System Rules.
2. Accordingly, all Participants are required to adhere to the;
 - a. Transaction Reference Number (TRN) format, and
 - b. Additional instructions with regard to recording of original transactions and related security movements on Repurchase transactions (Replenishments/ Substitutions/ Repo value amendments¹)stipulated in these guidelines at the time of recording transactions in the LankaSecure System.
3. Instructions for generating the Transaction Reference Number is given in **Annexure 01**.
4. Additional Instructions are provided specifically for when recording the,
 - Sender's Message Reference
 - Trade Date *(input mandatory from 01.01.2021)*
 - Price *(input mandatory)*
 - Yield *(input mandatory)*
 - Quantity (Face Amount)
 - Account securities are being transferred to & from
 - Settlement Amount *(input mandatory)*
5. Sample message formats for MT542 and MT543 are given in **Annexure 02** with the relevant Additional Instructions on Repurchase transactions (same instructions are valid for fields of MT540 & MT541 as applicable).
6. The Settlement Values indicated in the relevant fields of Deliver Free (MT542)/Receive Free (MT540) message types, will not be considered in the settlement process as the System will only

¹ (a) uplift a Repo with an additional amount during a Repo period
(b) prematurely settle a Repo, partially
subject to security holding alteration

use the Face Value to debit and credit the respective Government securities accounts of LankaSecure.

7. In addition to the Government securities transaction messages sent through SWIFT system, item 2 above is applicable to Government securities transactions submitted through the CSS Trades, i.e. the web based application provided by Central Bank of Sri Lanka, as instructed under Rule 5.4 in Volume 3 of the LankaSettle System rules.
8. Further to the Rule 5.7 of Volume 3 of the LankaSettle System Rules, Participants are required to adhere to input Securities Instructions to the LankaSecure System **within 30 minutes** of agreement of trade terms with counterparties.
9. Recording of correct data as stipulated in this guideline in the relevant message formats and within specified time frame when effecting Government securities transactions in the LankaSecure system is mandatory with effect from 01.01.2021. (All testing related to new instructions to be completed during the month of December 2020)



M Z M Aazim
Superintendent Public Debt



D Kumaratunge
Director Payments and Settlements



Transaction Reference Number (TRN) Format

TRN field contains 16 digits.

New TRN format requires the first 4 digits to be allocated specifically for classifying the transaction and the remaining 12 digits can be used by the Participant for own referencing/ numbering.

For a single Trade and its relating transactions, the 'Participant Generated Reference Number' (PGRN) should be the same (if required, *last digit(s) sequencing*² may be used).

E.g. TRN for reversal of Repos which are to be input on auto reversal instructions (SWIFT field :20C::SECO//) should follow the same number format, where 2nd digit (X2 below) should be "V" to represent the reversal of a repo transaction followed by the original repo transaction reference given in PGRN.

Reserved for Transaction Classification				Participant Generated Reference Number (PGRN)											
X1	X2	X3	X4	Z	Z	Z	Z	Z	Z	Z	Z	Z	Z	Z	Z
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16

² Last digit(s) can be used for sequencing as participant's preference, but the first part of referencing should be the same to identify a trade and its relating transactions.
E.g.: PGRN = AAABBBCCC-01, AAABBBCCC-02, etc.

For Outright / Repurchase Transactions

	Description	Code	Code Detail
X1	Trade Classification	A / B / C	A –Proprietary transactions * (Principal function) B –Customer transactions without Liability ** (Agency function- None) C –Customer transactions with Liability *** (Agency function - Liable)
X2	Type of Transaction	O / R / V / P	O – Outright R – Repo V – Reversal of Repo P – Pledges
X3	Supplementary Security Movement	L / S / N	L – Replenishment (Mark to market adjustments) S – Substitution N – None
X4	Security Movement Occurrence	1, 2,,9, a, b, c, d,, y, z (35 Characters)	A sequence number denoting the security movement occurrence when multiple ISINs are assigned for a single transaction (when X3 = N)
			A sequence number denoting the security movement occurrence when a transaction completes as a chain of securities movements (when X3 = N)
			The sequence number denoting the occurrence of supplement repo updates (when X3 = L or S)

*- Proprietary transactions

– Security movements effected on participant’s own account for the purposes of investment, trading or funding arrangements of the participant.



- ** - Customer transactions without Liability** – Security movements effected on behalf of the customers, which are not carried out for the purposes of investment, trading or funding arrangements of the participant (services provided by the Participants to the customers as an Agency function or in the capacity of Custodial role shall be covered under this category).
Participant takes **NO LIABILITY** for the settlement of the transaction, unless each counter-party meets its commitment for the transaction settlement.
- *** - Customer transactions with Liability** – Security movements effected on behalf of the customers which are not carried out for the purposes of investment, trading or funding arrangements of the participant (services provided by the Participants to the customers as an Agency function or in the capacity of Custodial role shall be covered under this category).
Participant takes **LIABILITY** as the custodian for the settlement of the transaction notwithstanding any failure by either of counter-parties in meeting its commitment for the transaction settlement.

Examples of TRN

1. Repurchase transaction between two participants - with Auto reversal

:20C::SEME//

ARNO	CB1125P-REPO
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:20C::SECO//

AVNO	CB1125P-REPO
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**2. Repurchase transaction between two customers, participant takes no liability in settlement finality-
Two individual SWIFT messages for Repo Opening and Closing**

Leg 1 :20C::SEME//

BRNO	CB1126C-R
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Leg 2 :20C::SEME//

BVNO	CB1126C-R
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3. Repurchase transaction between a participant and a customer - Securities replenishment for the 3rd instance

:20C::SEME//

ARL3	CB1127C
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4. Repurchase transaction between a participant and a customer - Securities substitution for the 11th instance

:20C::SEME//

ARSb	CB1128C-11
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5. Pledge transaction between two customer - Different ISINs are assigned for the Pledge (for 3rd ISIN)

:20C::SEME//

BPN3	CB1129PLDG
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6. Outright transaction between two customers (Customer 1 to Customer 2) – where transaction completes as a chain of securities movements and Participant takes liability for settlement finality.

a. Customer 1 to Participant 1

:20C::SEME//

CON0	CB1130-OR-CP
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b. Participant 1 to Participant 2

:20C::SEME//

CON1	CB1130-OR-PP
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c. Participant 2 to Customer 2

:20C::SEME//

CON2	CB1130-OR-PC
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Annexure 02

MT 542 SWIFT Format - Deliver Free Message

SWIFT Format	Description	Additional Instructions for ORIGINAL TRANSACTIONS	Special Instructions for Replenishment / Substitutions
:16R:GENL			
:20C::SEME//	Sender's Message Reference	Refer guidelines for Transaction Reference (Annexure 01)	
:23G:NEWM	NEW/CANC	New Instruction/ Instruction for Cancellation	
:16S:GENL			
:16R:TRADET			
:98A::SETT//	Settlement (Value) Date	Settlement Date	
:98A::TRAD//	Trade Date <i>CSS will default to date of input, if not supplied</i>	The Date that the Counterparties enter into the agreement Or commits itself to purchase or sell an asset. (as pricing is agreed at this date, corresponding pricing details as of trade date should be recorded in the 90:A: below)	Same as the <u>Settlement Date</u> , as the security quantity/ settlement value calculations are based on same day pricing
:35B:ISIN	ISIN of Security being transferred	ISIN	
:16R:FIA			
:90A::INDC//PRCT/	Price	CLEAN price of the security Refer: Circular SSSS/02/2019 issued on 01.10.2019, Repo and Reverse Repo transactions of DDPs in Scripless Treasury Bonds and Treasury Bills issued on 20.12.2019	Same Instruction as given for the Original Transaction
:90A::EXER//YIEL/	Yield	Outright: Buy / Sell Yield to maturity Repo: Repurchase rate per annum	Yield of the original transaction

		Refer: Circular SSSS/02/2019 issued on 01.10.2019	
:16S:FIA			
:22F::PRIR//	Priority	Queue Priority	
:16S:TRADDET			
:16R:FIAC			
:36B::SETT//FAMT//	Quantity (Face Amount)	Security Quantity in Face Value. Partial maturities or Repo value increments: Security Quantity should be a representation of the change of value of the repo, calculated based on Yield, Price and Settlement value	
:97A::SAFE//	Account, the securities are being delivered from	Delivering Securities Account, Delivering Beneficial Owner Code. Correct recording of Account and Owner Code as per the LankaSettle System Rules section 4.2 & 4.3 is required	
:16S:FIAC			
:16R:REPO			
:98A::TERM//	Date of Repurchase <i>(for Customer Repo Instructions)</i>	As per the LankaSettle System Rules section 5.13	
:20C::SECO//	Transaction reference to be used for the return leg <i>(for Customer Repo Instructions)</i>	Refer guidelines for Transaction Reference (Annexure 01)	
:16S:REPO			
:16R:SETDET			
:22F::SETR//	Trade Settlement	Follow the given coding schedule; TRAD - Inter-Participant Outright (Ordinary Transaction) OWNI - Intra-Participant Outright (Repositioning transaction)	



:16R:SETPRTY			
:95P::REAG//	BIC of the participant receiving the securities	Receiving Participant BIC	
:97A::SAFE//	Account, the securities are being received to (for repositioning transactions)	Receiving Securities Account, Receiving Beneficial Owner Code. Correct recording of Account and Owner Code as per the LankaSettle System Rules section 4.2 & 4.3 is required	
:16S:SETPRTY			
:16R:SETPRTY			
:95P::PSET//	Place of Settlement. BIC of CSS	CBCELKLSXXX	
:16S:SETPRTY			
:16R:AMT			
:19A::SETT//	Settlement Amount	Exact value or the representing value calculated based on Yield and Face value of the particular security movement. Refer: Circular SSSS/02/2019 issued on 01.10.2019	Same Instruction as given for the Original Transaction
:16S:AMT			
:16S:SETDET			

MT 543 SWIFT Format – Deliver Vs Payment Message

SWIFT Format	Description	Additional Instructions for ORIGINAL TRANSACTIONS	Special Instructions for Repo value amendments
:16R:GENL			
:20C::SEME//	Sender's Message Reference	Refer guidelines for Transaction Reference (Annexure 01)	For Repo uplifting -Same TRN as the linked Repo For Partial maturities -Same TRN as the linked ultimate Repo reversal
:23G:NEWM	NEW/CANC	New Instruction/ Instruction for Cancellation	
:16S:GENL			
:16R:TRADDET			
:98A::SETT//	Settlement (Value) Date	Settlement Date	
:98A::TRAD//	Trade Date <i>CSS will default to date of input, if not supplied</i>	The Date that the Counterparties enter into the agreement Or commits itself to purchase or sell an asset. (as pricing is agreed at this date, corresponding pricing details as of trade date should be recorded in the 90:A: below)	Same as the <u>Settlement Date</u> , as the security quantity/ settlement value calculations are based on same day pricing
:35B: ISIN	ISIN of Security being transferred	ISIN	
:16R:FIA			
:90A::INDC//PRCT/	Price	CLEAN price of the security Refer: Circular SSSS/02/2019 issued on 01.10.2019, Repo and Rev Repo transactions of DDPs in scruples treasury bonds and bills issued on 20.12.2019	Same Instruction as given for the Original Transaction



:90A::EXER//YIEL/	Yield	Outright : Buy / Sell Yield Repo : Repo Yield (Price will not relate to yield) Refer : Circular SSSS/02/2019 issued on 01.10.2019	Yield of the original transaction
:16S:FIA			
:22F::PRIR//	Priority	Queue Priority	
:16S:TRADDET			
:16R:FIAC			
:36B::SETT//FAMT/	Quantity (Face Amount)	Security Quantity in Face Value. Partial maturities or Repo value increments: Security Quantity should be a representation of the change of value of the repo, calculated based on Yield, Price and Settlement value	
:97A::SAFE//OWN	Account securities are being transferred into	Receiving Securities Account, Receiving Beneficial Owner Code. Correct recording of Account and Owner Code as per the LankaSettle System Rules section 4.2 & 4.3 is required	
:16S:FIAC			
:16R:REPO			
:98A::TERM//	Date of Repurchase (for auto reversal Repo Instructions)	As per the LankaSettle System Rules section 5.13	
:20C::SECO//	Transaction reference to be used for the return leg (for auto reversal Repo Instructions)	Refer guidelines for Transaction Reference (Annexure 01)	
:19A::TRTE//	Repurchase amount (termination transaction amount) (for auto reversal Repo Instructions)	Maturity value	

	<i>Instructions)</i>		
:16S:REPO			
:16R:SETDET			
:22F::SETR//	Trade Settlement	Strictly follow the given coding schedule; TRAD - Outright (Ordinary Transaction) REPU - REPO Opening (Leg 1) RVPO - REPO Closing (Leg 2)	
:16R:SETPRTY			
:95P::DEAG//	BIC of the participant delivering the securities	Delivering Participant BIC	
:16S:SETPRTY			
:16R:SETPRTY			
:95P::PSET//	Place of Settlement. BIC of CSS.	CBCELKLSXXX	
:16S:SETPRTY			
:16R:AMT			
:19A::SETT//	Settlement Amount	Settlement Value	Same Instruction as given for the Original Transaction
:16S:AMT			
:16S:SETDET			