

2018-09-11 Meeting notes

Date

11 Sep 2018

Attendees

- [Dennis Wisnosky](#)
- [Dave Newman](#)
- [Elisa Kendall](#)
- [Anthony B. Coates](#)
- [Dean Allemang](#)
- [Shaun Rolls](#)
- [Jefferson Braswell](#)
- [Maxwell Gillmore](#)

Agenda

- 1) Use Case reminder
- 2) Where we are on our road map.
- 3) Open Action Items
- 4) JIRA Issues Review - <https://jira.edmcouncil.org/projects/DER/issues/DER-10?filter=allopenissues>
- 5) Todays content discussion.

- 6) For next week.

Proceedings:

Shaun Rolls knows options. DN could work on Positions because it cuts across all areas. EK We did equity positions. DN are there common abstractions?

EK How to increase font size in Protege. Preferences then renderer then increase font size. EK tells this to MA.

DN Tony Coates is an expert in IR Swaps.

DN Now to deal with Notional Step amounts aspart of a schedule. TC FPML has a simple notional or a more complicated notional. Would apply to certain instruments where the notional changes over time. TC Need to avoid confusing people. DN Can EK fix this with known info. No!

Welcome back Shaun. EK Is there always a step change event. Shaun It depends on the instrument. DN when we do calculations what amount are we referring too? Should we look at schedules and make NotionalStepSchedule and others optional? Yes! EK makes this change now on GitHub. This closes issue DER-20. DA shows EK the new process. EK changes the 2 legs to min 0. DN Need to look at other legs.

DN Update on recent ISDA. call. There actually is. real interest in FIBO and Ontology. They are working on a Common Domain Model (CDM). An entirely new Derivatives model. Met with them in July. Talked with many people from many banks. Goal. was to start to define the CDM. DN listed many characteristics. It was agreed that they want them. They are all in FIBO. Conclusion was to then have ISDA look closely at FIBO. Was done Friday Sept 7th. Will meet again Sept 14th. It would be a good thing look more closely at FIBO IRS b 4 talking more to ISDA. TC wonders if ISDA will really follow through. FPML. being reverse engineered into CDM. They want smart contracts in a distributed ledger. Want to generate an ontology from the ISDA FPML. DN Smart Contracts in distributed ledger is a great use case for FIBO. DN to generate an onto from CDM could be a real stretch. TC CDM is more of a UML model. There is a particular vendor working with them. EK there are tools that make the conversion from UML to an ontology, but that does not make it a good ontology. DN They don't have the expertise in ontology. TC Agree. DN We need to see how this plays out. Clearly the EDMC is better positioned. But, the ISDA top people seem to be very interested in FIBO.

EK looking at protege and what is unique to a leg. What is missing? DN Where should notionalAmount be associated? EK It is on the leg. DN But, when we go into swap stream interest payment, we need to point to the correct payment schedule, for example. EK Need to see real contracts to figure this out. Can TC provide an example? DN The basic semantics of any interest payment is interest x time in a particular amortization schedule. EK That level of depth is not in our model. DN YEs, but perhaps should be. TC FPML does have a notional step schedule, but only with an amount and currency. Could look at FPML examples and represent them in FIBO. TC surprised that ISDA does not have a choice in FPML. EK FIBO has this, but need to be sure that it all works including the calculation. Need TC help especially the cascading restrictions. Jeff Systems like ACTUS have these types of data definitions. Almost any actual processing system will have the concept of frequencies of repricing an payments under future scenarios. ACTUS can certainly do this. DN advises Jeff that we are talking with ISDA. Should fill gaps in FIBO from both ISDA and from ACTUS. Jeff ACTUS was one of the lead responders to ISDA on CDM. This is a research initiative by ISDA. DN All talking about the same thing.

EK nail the ISDA examples. Then look at the schedules with an example from ACTUS. First nail the FPML approach, then look at ACTUS.

Jeff Covering all of FPML in FIBO is an enormous task. DN We are focused only on interest rates. Need to associate the interest payments properly with prerequisites. Need to complete that wiring. Elisa creates DER-58. "Connect interest rate payments and prerequisite elements in IR Swaps"

DN. Need to maintain this focus on ISDA, but not forget about ACTUS.

Jeff ACTUS action is identifying contract types and incorporating in FIBO. DN Helpful to start with real examples.

EK can close some JIRA issues on her now. DN Do it. Let's stick with this direction for the core IR swaps. Want Shaun to continue to help and Max, Jeff and TC.

Decisions:

Action items

- Anthony B. Coates Look at FPML and send to Elisa Kendall relevant info for representing in FIBO. EK will send TC times on calendar to discuss this.
- Elisa Kendall Create an instance and test against a schedule.
- Elisa Kendall Raise a JIRA issue that rationalizes FIBO and ISDA/FPML and ACTUS WRT to only interest rates.

