

# Are you compliant with Money Market Statistical Reporting (MMSR)?

## A renewed focus on ECB Money Market Statistical Reporting

Money Market Statistical Reporting (MMSR) has been a vital part of the European Central Bank's (ECB) monetary and financial policy since 2016 and is the dataset used by the ECB to calculate the daily publication of the euro short-term rate (€STR) benchmark interest rates. However many third country firms have had to adopt this requirement as they established EU bases post-Brexit. This transaction reporting aids the ECB in monitoring the impact of monetary policy, setting interest rates, market financing and money market surveillance. It aims to provide transparency on short-term wholesale borrowing and lending activities within the Euro area.

## Reduce your regulatory risk with the right controls

Following Brexit and the LIBOR crisis, there is significant regulatory interest in MMSR. Investment in assurance activities will provide significant cost savings as well as reducing your regulatory risks.



*"The ultimate sanction for reporting breaches is the imposition of a maximum fine equal to twice the amount of the profits gained or losses avoided as a result of the breach where those can be determined, or 10% of the bank's total annual turnover.\*\*"*

## Kaizen's services for MMSR compliance

Kaizen's multi award-winning **ReportShield™ Quality Assurance Services** combine regulatory expertise with advanced technology to provide clients with the most comprehensive controls to ensure you meet your reporting requirements and safeguard against regulatory risks. ReportShield™ services include:



**Accuracy testing** of all reported data to identify errors and issues



**Core training** on MMSR requirements tailored to your firm



**Advanced reconciliations** performed and deployed on each platform/segment within MMSR to ensure completeness



**Subject matter expert support** to review reporting solutions, programme design and control framework

## What is required under MMSR?

Monetary financial institutions (MFIs) trading in money market products in the Euro area are required to report their secured and unsecured money market transactions and lifecycle events relating to Euro short term borrowing and lending to their NCB or the ECB at 6am Central European Time (CET) on trade date+1.

Additionally, MFIs are obliged to report their foreign exchange swaps (FX swaps) & Euro Overnight Index Swap (OIS).

## This complex requirement incorporates the following:

- Up to 44 fields across four segments depending on product
- Trade economics, product and counterparty reference data, collateral and benchmark index related fields
- FX swaps, OIS and Call/Put and notice period details
- Novation and re-negotiation within trade lifecycle action types
- Narrow window for reporting - 6am CET next business day.



## Have you considered?

- Are you confident in the accuracy and completeness of your MMSR?
- Are you capturing all four segments – secured, unsecured, FX Swaps and OIS within the Euro money markets space?
- Are you confident of the accuracy of counterparty, instrument and benchmark index reference data?
- Have you performed an end-to-end reconciliation of MMSR eligible flows?
- How compliant is your firm's booking model with contractual obligations, industry standards and market best practices?



## Contact us

For a conversation with one of our MMSR regulatory specialists or a free healthcheck of your reported data, please contact us.

[enquiries@kaizenreporting.com](mailto:enquiries@kaizenreporting.com)

+44 207 205 4090

 [@kaizenreporting](https://twitter.com/kaizenreporting)

 [Kaizen-Reporting](https://www.linkedin.com/company/kaizen-reporting)

[www.kaizenreporting.com](http://www.kaizenreporting.com)