

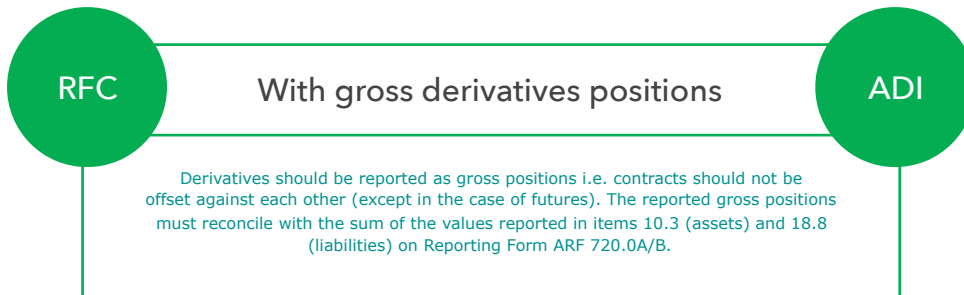
# EFS Reporting Standard ARS 722.0

~In a Nutshell~

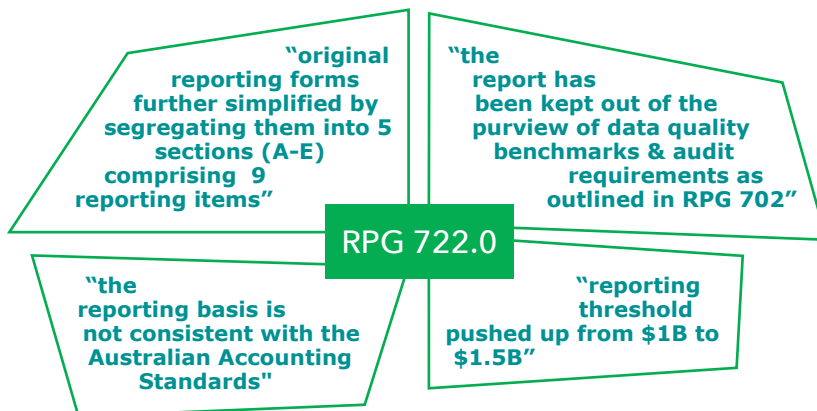
## What to report?



## Who is it Applicable for?



## What stands out?



## How the reported data will be used?



"the information is required primarily for the purposes of the ABS such as compilation of Australia's National Accounts"

"it may also be used by the RBA and APRA for prudential, policy and/or publication purposes"



**JAN 2017**

Consultation commences on modernised EFS data collection, including ARS 722.0

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**AUG 2017**

Reporting requirement of Derivatives rolled-back due to similarities between ARS 722.0 and the derivatives section of the Form 90

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**MAR 2019**

ARS 722.0 re-introduced for consultation. Derivatives section of Form 90 to be discontinued.

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**JUN 2019**

Deadline for the industry players to submit feedback

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**MAR 2020**

Parallel reporting begins. First ARS 722.0 Reporting Commences

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**JUN 2020**

Parallel Reporting Ends. Derivatives Section of Form 90 Discontinued

## How to Report?

DERIVATIVE TYPE	SWAPS, OPTIONS, FORWARDS & OTHERS*						FUTURES
REPORT SECTION	A		B	C	D		E
REPORTING ITEM	1 & 2	3 & 4	5	6	7	8	9
COUNTERPARTY TYPE	Non-Exchange	Non-Exchange	Exchange	Exchange	All	All	All
RESIDENTIAL STATUS	Res	Non-Res	Both	Both	Non-Res	Non-Res	Both
REPORTING MEASURES	<ul style="list-style-type: none"> <li>Report Opening &amp; Closing Balances of Gross Positive &amp; Negative Positions in Item 1 &amp; 2, respectively.</li> <li>No offsetting allowed in derivative positions or transactions/ revaluation</li> <li>Report Transactions** occurred during the quarter.</li> <li>Use change in market value (Revaluation) to reconcile the opening &amp; closing balances. Revaluation may occur due to change in dirty price, gross position movement (positive to negative &amp; vice-versa)</li> </ul>	<ul style="list-style-type: none"> <li>Report Opening &amp; Closing Balances of Gross Positive &amp; Negative Positions in Item 3 &amp; 4, respectively.</li> <li>No offsetting allowed in derivative positions or transactions/ revaluation</li> <li>Report Transactions occurred during the quarter</li> <li>Use change in market value (Revaluation) to reconcile the opening &amp; closing balances. Revaluation may occur due to change in dirty price, gross position movement (positive to negative &amp; vice-versa)</li> </ul>	<ul style="list-style-type: none"> <li>Report margined derivatives i.e. derivatives where margin can be readily offset/ netted against the derivative value.</li> <li>The reporting to cover two broad dimensions: Country of exchange and derivative type</li> <li>Report both net position as well as overall position. Only Net Transaction/ Revaluation to be reported</li> <li>Only Net transactions to be reported i.e. transactions in a gross positive MTM value (asset) may be netted off with transactions in a gross negative MTM value (liability).</li> <li>Excludes Futures contract which are exclusively reported in Section E</li> </ul>	<ul style="list-style-type: none"> <li>Report non-margined derivatives i.e. derivatives where margin is collateralised (rather than direct netting against the derivative) or the derivative includes no margin posting at all.</li> <li>The reporting to cover two broad dimensions: Country of exchange and derivative type</li> <li>Report both net position as well as overall position for same derivative type and exchange</li> <li>Only Net transactions to be reported i.e. transactions in a gross positive MTM value (asset) may be netted off with transactions in a gross negative MTM value (liability).</li> </ul>	<ul style="list-style-type: none"> <li>Report only Closing Balances of Gross Positive Positions (asset) segregated across currency and residual maturity until the derivative is due to be settled.</li> <li>All amounts to be reported in AUD including the positions denominated in foreign currencies</li> <li>For currency swap derivatives or any such instrument involving exchange of one or two foreign currencies, the reporting will be done in the currency in which final/ settlement payment was made.</li> <li>Only contracts remaining active past reporting date, should be reported</li> </ul>	<ul style="list-style-type: none"> <li>Report only Closing Balances of Gross Negative Positions (liability) segregated across currency and residual maturity until the derivative is due to be settled.</li> <li>All amounts to be reported in AUD including the positions denominated in foreign currencies</li> <li>For currency swap derivatives or any such instrument involving exchange of one or two foreign currencies, the reporting will be done in the currency in which final/ settlement payment was made.</li> <li>Only contracts remaining active past reporting date, should be reported</li> </ul>	<ul style="list-style-type: none"> <li>Report all futures contracts segregated on the basis of the country of exchange.</li> <li>Only Net transactions i.e. transactions in a gross positive MTM value (asset) may be netted off with transactions in a gross negative MTM value (liability). Gross positive as well as negative valuations to be reported separately</li> <li>All amounts to be converted into AUD for reporting</li> </ul>

\* such as credit derivatives as well as the contracts that are not classified into any other derivative type.

\*\* transactions in derivatives represent the payment to initiate the contract less the payment to settle the contract within the quarter, and include associated cash flows such as interest payments, premiums and non-repayable variation margins (where they are treated as settling the derivative)

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