

TMPG Meeting Minutes

December 18, 2017

TMPG attendees

Lisa Black (TIAA Investments)	Ari Kavour (Wells Fargo)	Jerry Pucci (BlackRock)
Dan Dufresne (Citadel)	Sheryl King (Bank of Canada)	Ryan Sheftel (GTS)
Deirdre Dunn (Citigroup)	Edward McLaren (Bank of America)	James Slater (BNY Mellon)
Mike Garrett (Wellington)	Giuseppe Nuti (UBS)	Stu Wexler (NEX Group)
Beth Hammack (Goldman Sachs)	Sandie O'Connor (JP Morgan Chase)	Thomas Wipf (Morgan Stanley)
Gary Kain (AGNC Investment Corp)	Murray Pozmater (DTCC)	

FRBNY attendees

Michelle Ezer	Radhika Mithal	Janine Tramontana
Josh Frost	Simon Potter	Carolyn Windover
Frank Keane	Brett Rose	Nate Wuerffel
Lorie Logan		

TMPG Clearing & Settlement Working Group attendees

Edward Corral (Morgan Stanley)	Mark Trivedi (JP Morgan Chase)
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U.S. Department of Treasury attendee

Fred Pietrangeli

- The meeting commenced with the Chair thanking departing member Mike Garrett from Wellington for his participation on the TMPG. Members confirmed the 2018 TMPG [meeting schedule](#).
- As a follow-up to the [November meeting discussion](#), one of the co-chairs of the working group on clearing and settlement invited two members of the working group to discuss updated draft maps illustrating clearing and settlement arrangements for transactions in the secondary cash market for Treasury securities. TMPG members provided feedback on the revisions and asked the working group to continue refining the maps and incorporate discussion on certain map elements in the accompanying white paper.
- Next, the chair for the information handling working group discussed certain draft edits to the proposed best practice recommendations on information handling and the related illustrative examples in response to [comments](#) received during the public consultation process. During the ensuing discussion, TMPG members provided their views on the draft edits and asked the working group to consider this feedback in reshaping some of the best practice recommendations and related illustrative examples. The chair of the working group agreed to finalize the materials, share the updated documents with the TMPG, and propose a date for publication at the January meeting.

- Given time constraints, the TMPG agreed to review the proposed future priorities for 2018 at the January meeting.
- The chair of the settlement fails working group gave a brief overview of the work underway to better understand the trends in the observed rise in fails in seasoned and benchmark Treasury securities. The chair noted that the working group continues to research data resources that can enhance the group's efforts. Members were informed about a working group member's suggestion that the ongoing operational robustness of the TMPG fails charge practice could benefit from the addition of a static component to the charge. If short-term interest rates fluctuate around 2 or 3 percent the fails charge would toggle off and on and introduction of a static charge component would resolve this issue by providing a permanent floor. TMPG members agreed to discuss the potential usefulness of this suggestion at a future meeting after consulting with operations colleagues within their respective firms.
- Finally, the TMPG briefly discussed recent market developments including reactions to the [December FOMC meeting](#), expectations for year-end, and views on the recent flattening in the Treasury yield curve.
- The next TMPG meeting is scheduled to take place on January 18th, 2018, from 3:00-5:00 PM.