

Regulation for Compiling the "Report on Money Market Transactions"

(Unofficial translation)

LATVIJAS BANKA

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Riga

Regulation for Compiling the "Report on Money Market Transactions"

Issued pursuant to Paragraph 2 of Article 39
of the Law "On the Bank of Latvia"

I. General provisions

1. The Regulation provides for the procedure for compiling and submitting the "Report on Money Market Transactions" (hereinafter, the Report) to the Bank of Latvia with regard to a credit institution registered in the Republic of Latvia and a branch, registered in the Republic of Latvia, of a credit institution registered in other country (hereinafter, a credit institution), as well as stipulates the deadlines for submitting the Report.

2. Terms used in the Regulation:

2.1 forward settlement date – the business day when the payer has to transfer back the contract amount to the settlement account specified by the recipient (except credit lines);

2.2 counterparties – monetary financial institutions (except the Bank of Latvia) and other financial institutions, including insurance companies, pension funds, investment funds, financial vehicle corporations, financial holding corporations, venture capital corporations and pawnshops;

2.3 transactions – short-term borrowing and lending, repo and reverse repo and currency swaps with a fixed maturity of under one year performed in money market by the reporting credit institution;

2.4 spot settlement date – the business day when the payer has to transfer the contract amount to the settlement account specified by the recipient (except credit lines);

2.5 foreign exchange swap – a transaction where euro is purchased or sold for a foreign currency at spot rate on condition that euro is resold or repurchased at forward rate at maturity of the transaction.

3. Other terms are used in the same meaning as defined in the Bank of Latvia's regulations stipulating the procedure for compiling and submitting the "Monthly Financial Position Report of Monetary Financial Institutions".

4. The Report provides information necessary for the purpose of compiling statistical information with regard to Latvia's money market in order to analyse money market transactions and structure, monitor changes in credit institution cash flows on the money market and inform other institutions and the general public on money market developments in the Republic of Latvia.

5. The Bank of Latvia may disclose the information provided in the reports to the institutions referred to in Paragraph 2 of Article 40 of the Law "On the Bank of Latvia" subject to the requirements stipulated in the above Law.

II. Procedure for compiling and submitting the Report and the submission deadlines

6. The credit institution shall compile and submit the Report for the following reporting periods: from the 1st day of the month to the 7th day (inclusive), from the 8th day to the 15th day (inclusive), from the 16th day to the 23rd day (inclusive) and from the 24th day to the last day of the month (inclusive).

7. The Report shall be submitted to the Bank of Latvia on the next business day following the 7th, 15th, 23rd and the last day of the month in electronic form in accordance with the Bank of Latvia's regulation stipulating the procedure for electronic exchange of information with the Bank of Latvia.

III. Procedure for filling in the Report

8. A credit institution shall report the following transactions with counterparties in the Report ([Appendix 1](#)):

8.1 uncollateralised lending;

8.2 uncollateralised borrowing;

8.3 collateralised lending (collateralised by securities or other assets);

8.4 collateralised borrowing (collateralised by securities or other assets);

8.5 *repo* transactions;

8.6 *reverse repo* transactions;

8.7 foreign exchange swaps.

9. A credit institution shall report all transactions listed in Paragraph 8 of the Regulation that have been initiated in the reporting period, including transactions with spot settlement date in the next reporting period. A credit institution shall report the initiated transaction regarding extending the maturity of a previous initiated transaction as a new transaction. Spot settlement date shall be the day when the maturity is extended.

10. Counterparties, the types of transaction, collateral and interest rate shall be denoted with symbols as per [Appendix 2](#) to this Regulation.

11. Transactions shall be reported in chronological order according to spot settlement dates.

12. The amounts of transactions (net of interest rates) shall be reported in whole euro and annualised interest rates shall be rounded to two digits after the decimal point. Transactions in foreign currencies (excluding foreign exchange swaps) shall be translated into euro applying the accounting rate for the respective foreign currency on the last business day of the reporting period. The amounts of swap transactions shall be reported according to the amount of euro purchased or sold by the credit institution. With regard to credit lines, the contract amount of the transaction shall be reported.

13. Spot and forward settlement dates of the transaction shall be reported under "Spot settlement date" and "Forward settlement date" accordingly. With regard to currency swap, forward settlement date and spot settlement date shall be applicable to the euro leg of the transaction. With regard to credit line, spot settlement date and forward settlement date shall be reported as per contract.

14. The resident MFIs three-digit domestic classification code (in accordance with the "List of Monetary Financial Institutions of the Republic of Latvia" published on the Bank of Latvia's website) of the counterparty shall be specified under "MFI code". The item "MFI code" need not be filled in where the counterparty is a financial institution.

15. The counterparty's two-letter country code shall be specified under "Country code" in accordance with the international standard ISO 3166 "Codes for the representation of names of countries and their subdivisions" (see the Bank of Latvia's website (www.bank.lv) under Links). Where the counterparty of the transaction is an international financial institution that has not been registered as a resident of a single country, the figure "66" shall appear under "Country code".

16. The code of the currency under "Currency code", "Code of currency purchased" and "Code of currency sold" shall be in accordance with the international standard ISO 4217 "Codes for the representation of currencies and funds" (see the Bank of Latvia's website www.bank.lv under Links).

17. The annualised interest rate of the relevant transaction shall be reported under "Annualised Interest rate". The annual interest rate shall be calculated on a 360-day basis.

18. The exchange rate of the foreign currency purchased or sold by the credit institution, expressed as the amount of foreign currency units per one euro, shall be reported under "Spot" in the Report section "Foreign exchange swaps". The foreign currency exchange buy/sell rate shall be rounded to six digits after the decimal point.

19. The exchange rate of the foreign currency repurchased or resold by the credit institution, expressed as the amount of foreign currency units per one euro, shall be reported under "Forward" in the Report section "Foreign exchange swaps". The foreign currency exchange repo or reverse repo rate shall be rounded to six digits after the decimal point.

20. Transactions need not be reported in the Report where the counterparty agreement provides an automatic full or partial roll-over of the end-of day balance of the settlement account to overnight deposit.

IV. Final provisions

21. For the purposes of reports on December 2013, the Bank of Latvia Council Regulation No. 46 "Regulation for Compiling the "Report on Money Market Transactions"" of 5 November 2009 shall apply. The reports referred to in this Paragraph shall be submitted to the Bank of Latvia by 2 January 2014.

22. The Bank of Latvia Council Regulation No. 46 "Regulation for Compiling the "Report on Money Market Transactions"" of 5 November 2009 (*Latvijas Vēstnesis*, 2009, No. 190) shall be deemed invalid.

23. The present Regulation shall take effect on the date when the Council of the European Union, pursuant to Article 140(2) of the Treaty on the Functioning of the European Union, has abrogated the derogation granted to the Republic of Latvia.

Governor of the Bank of Latvia