

Connecting your Community with SWIFT

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SWIFT



Connecting your Community with SWIFT

- What?
- Why?
- How?
 - Examples from AMEDA members
- Price reductions

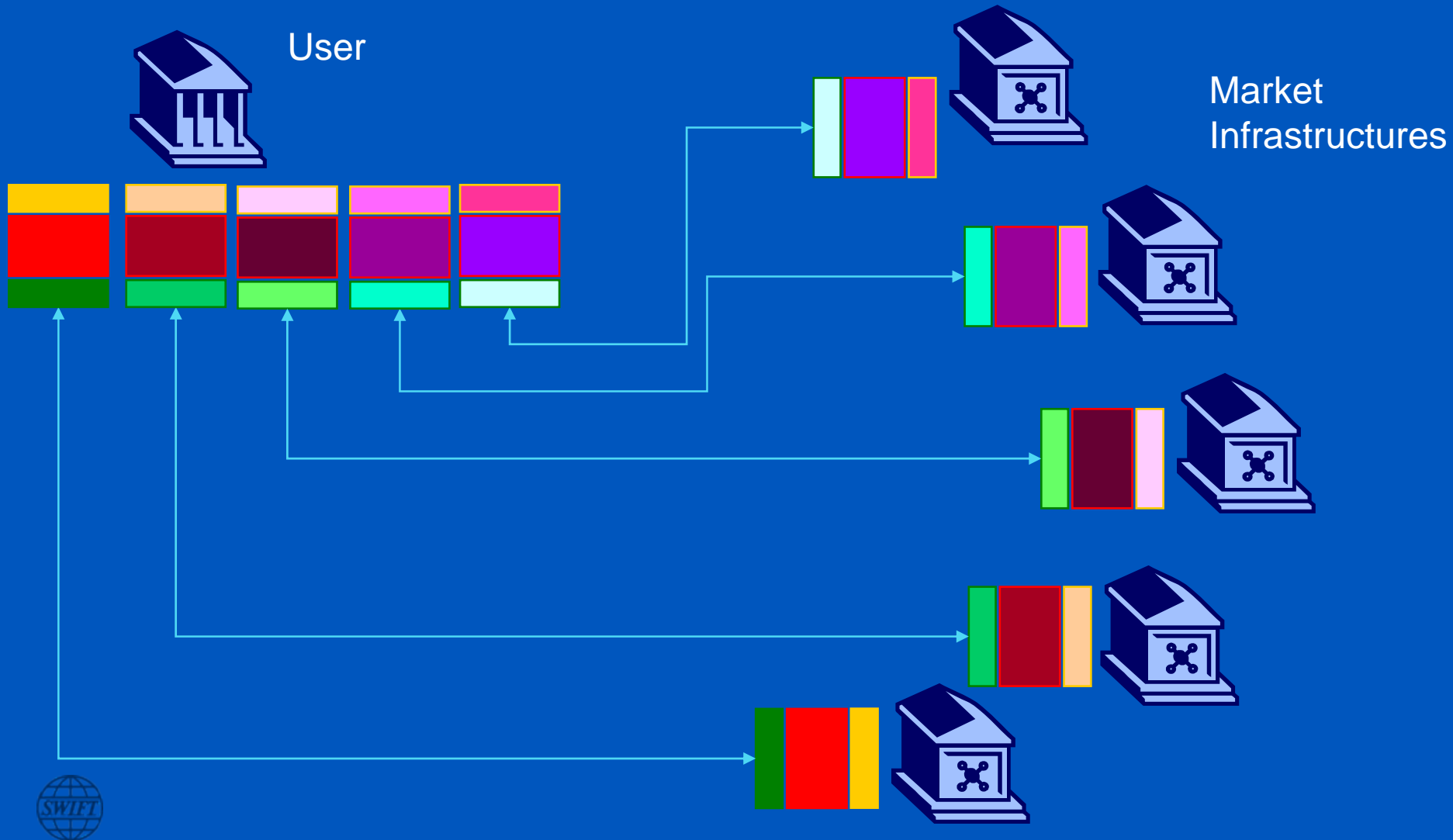


Connecting your Community with SWIFT

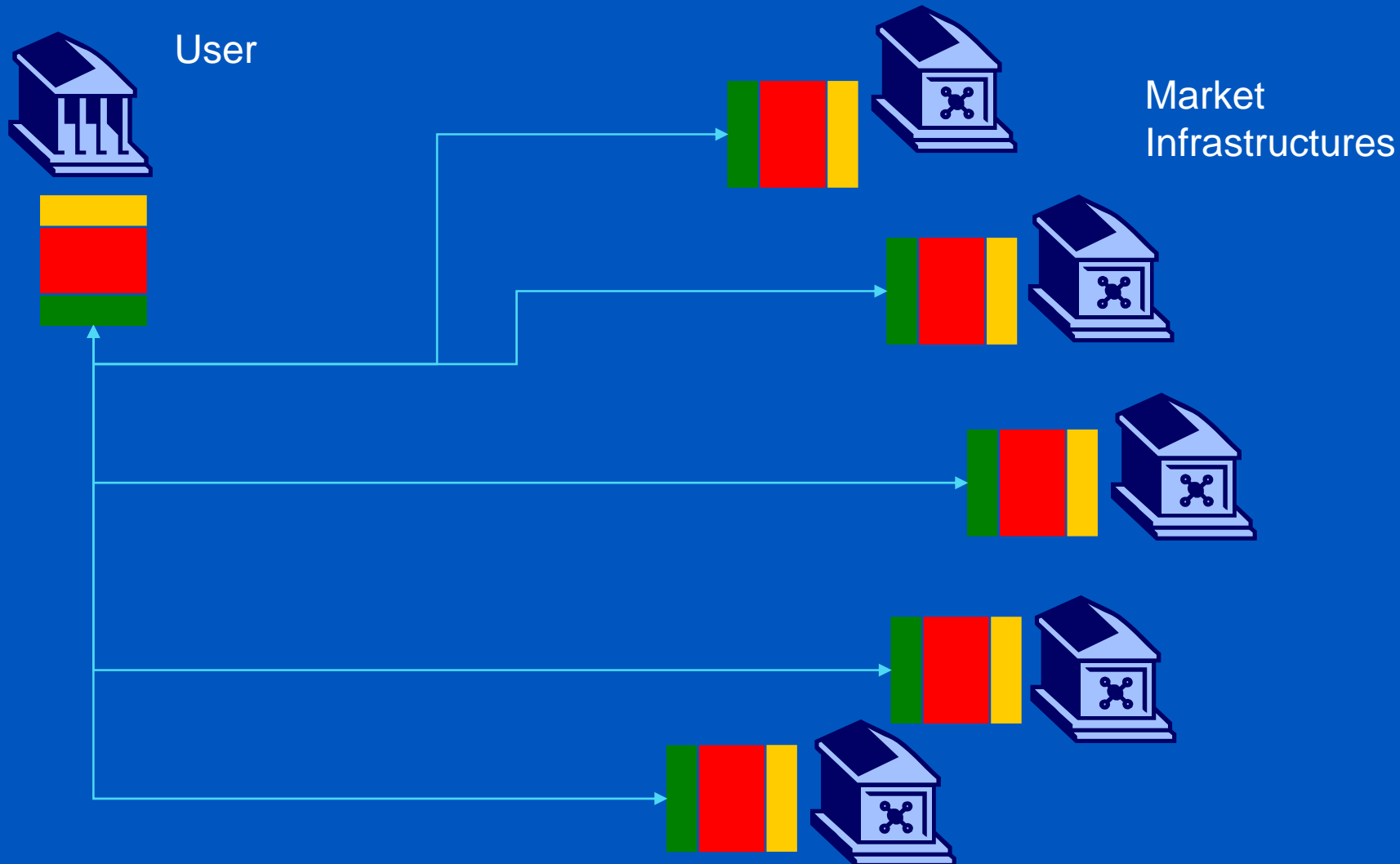
- What are we talking about.....
 - Message Standards
 - Business Standards
 - Connectivity Standards



A world without SWIFT: Different Standards, Messaging, Connectivity and Interfaces



Single Window from SWIFT: Reusing Standards, Messaging and Connectivity



Types of CSD business functions conducted over SWIFT

■ Core functionality:

- Instructions
- Status reporting
- Confirmations
- Statements
- Corporate Actions
- Link with NCB
- Borrowing/Lending
- **and more**

■ Non-core functionality:

- General payments
- CSD-CSD links
- Funds processing



CSD Business functions using every SWIFT channel

Application-to-Application

One by one messaging (store & forward and query & response)

File Transfer (push or pull)

Human-to-Application

Browser-based access and manual FT & message GUIs

Human-to-Human

Mail



SWIFTNet messaging services

SWIFTNet FIN

- Messages with standards and rules
- Store-and-forward

SWIFTNet InterAct

- Messages and query & response
- MX standards (XML-based) and rules
- Store-and-forward and real-time

SWIFTNet FileAct

- File transfer
- Standards and rules
- Store-and-forward and real-time

SWIFTNet Browse

- Secure browsing
- Complements InterAct, FileAct, and FIN

SWIFTNet Mail

- Email exchange over SWIFT
- Authenticated and Secure



THE ONLY
THING
YOU NEED
TO
CONNECT
TO SWIFT



Alliance Lite

What is it?

A new simple way for customers to connect to SWIFT

Accessible in a secure way

Over the Internet

Targeted at new low volume customers



Why SWIFT?

- Future proofing
- Best practice to facilitate cost savings
- Reach for international opportunities
- Protected environment for enhanced innovation
- Regulatory risk reduction
- Class leading reliability and support



Standards Initiatives





Investment roadmap launched

Collaboration between SWIFT, FpML, FIX and ISITC realised

Published on 14 May 2008

SWIFT, together with FpML / ISDA (Financial Products Markup Language / International Swaps and Derivatives Association), FIX Protocol Ltd (FPL) and ISITC (International Securities Association for Institutional Trade Communication), have launched the financial messaging investment roadmap. The initiative provides market participants with a consistent and clear direction to messaging standards usage and lays the groundwork for moving towards one common financial messaging standard, ISO 20022, while maintaining existing independent protocols.

"SWIFT has given the initiative its wholehearted support. We are excited that the standardisation bodies working with trading activities across a wide range of asset classes have come together and agreed this roadmap," comments **Jamie Shay, Head of Standards at SWIFT**. "It is the first time that we have shared a common approach. Whilst SWIFT has been working within the ISO framework for many years, we are pleased that FpML and FIX have now joined the 'ISO world'. This can only be good for the financial markets as ISO 20022 brings value by enabling interoperability."

For more background information about this significant achievement, read the [Frequently Asked Questions](#) document (PDF).

View the actual [investment roadmap](#) (PDF) to see the standards used in each functional category (pre-trade, trade, post-trade, clearing/pre-settlement, asset servicing, settlement and pricing/risk/reporting) across asset classes (cash equities and fixed income, foreign exchange, listed derivatives, OTC derivatives and funds).

For comment and discussion on the investment roadmap, go to www.swiftcommunity.net/standards.

External links

>> www.swiftcommunity.net

Contact us

If you would like to have more information about SWIFT, please use our [Feedback page](#).



Investment Roadmap – FIX, ISO, FpML syntax (HIGH LEVEL)

	Cash Equities & Fixed Income	Forex ⁽²⁾	Listed Derivatives	OTC Derivatives ⁽²⁾	Funds
Pre-Trade	Orange	Orange	Orange	Yellow	Green
Trade	Orange	Orange	Orange	Yellow	Green
Post-Trade	Green with red checkered pattern	Green with red checkered pattern	Green with red checkered pattern	Yellow	Green
Clearing / Pre-Settlement	Green	Green	Green with red checkered pattern	Yellow	Green
Asset Servicing	Green	N/A	Green	Yellow	Green
Settlement	Green	Green	Green	Green	Green
Pricing / Risk / Reporting	Green with diagonal lines	Green with diagonal lines	Green with diagonal lines	Green with diagonal lines	Green with diagonal lines



(1) Represents ISO 20022, ISO 15022 and SWIFT MT messages

(2) See OTC Derivatives breakout for details:

- Syndicated Loans, Privately Negotiated FX, and OTC Equity, Interest Rate, Credit, and Commodity Derivatives
- FpML payload may be used in combination with FIX business processes in dealer to buy side communication

Investment Roadmap – Common ISO 20022 Business Model (HIGH LEVEL)

	Cash Equities & Fixed Income	Forex ⁽²⁾	Listed Derivatives	OTC Derivatives ⁽²⁾	Funds
Pre-Trade	FIX	ISO ⁽¹⁾	FpML	ISO ⁽¹⁾	FpML
Trade					
Post-Trade	<i>Goal: ISO 20022</i>				
Clearing / Pre-Settlement					
Asset Servicing	<i>Common Business Model</i>				
Settlement					
Pricing / Risk / Reporting	ISO, FpML				



(1) Represents ISO 20022, ISO 15022 and SWIFT MT messages

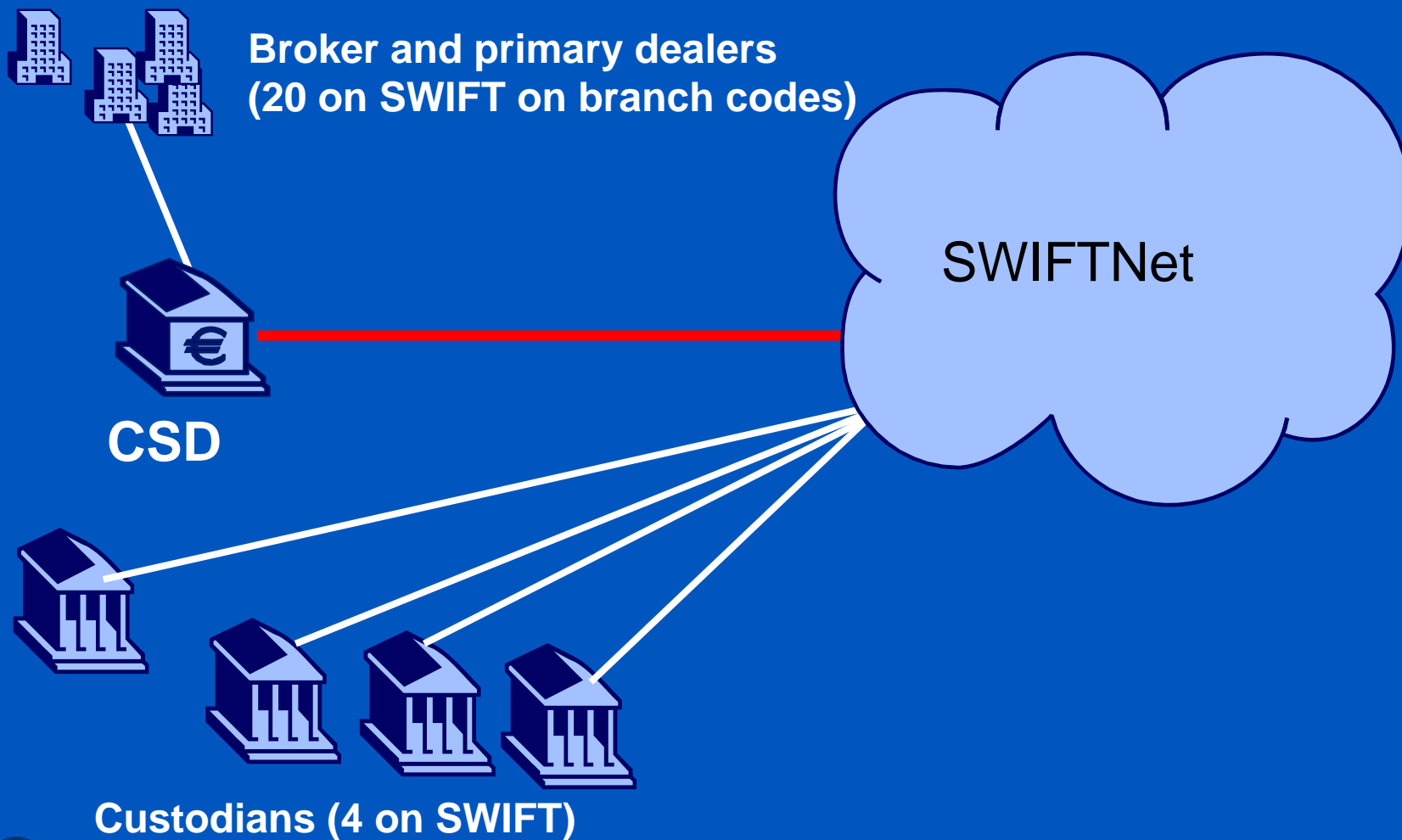
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Examples of AMEDA members using SWIFT

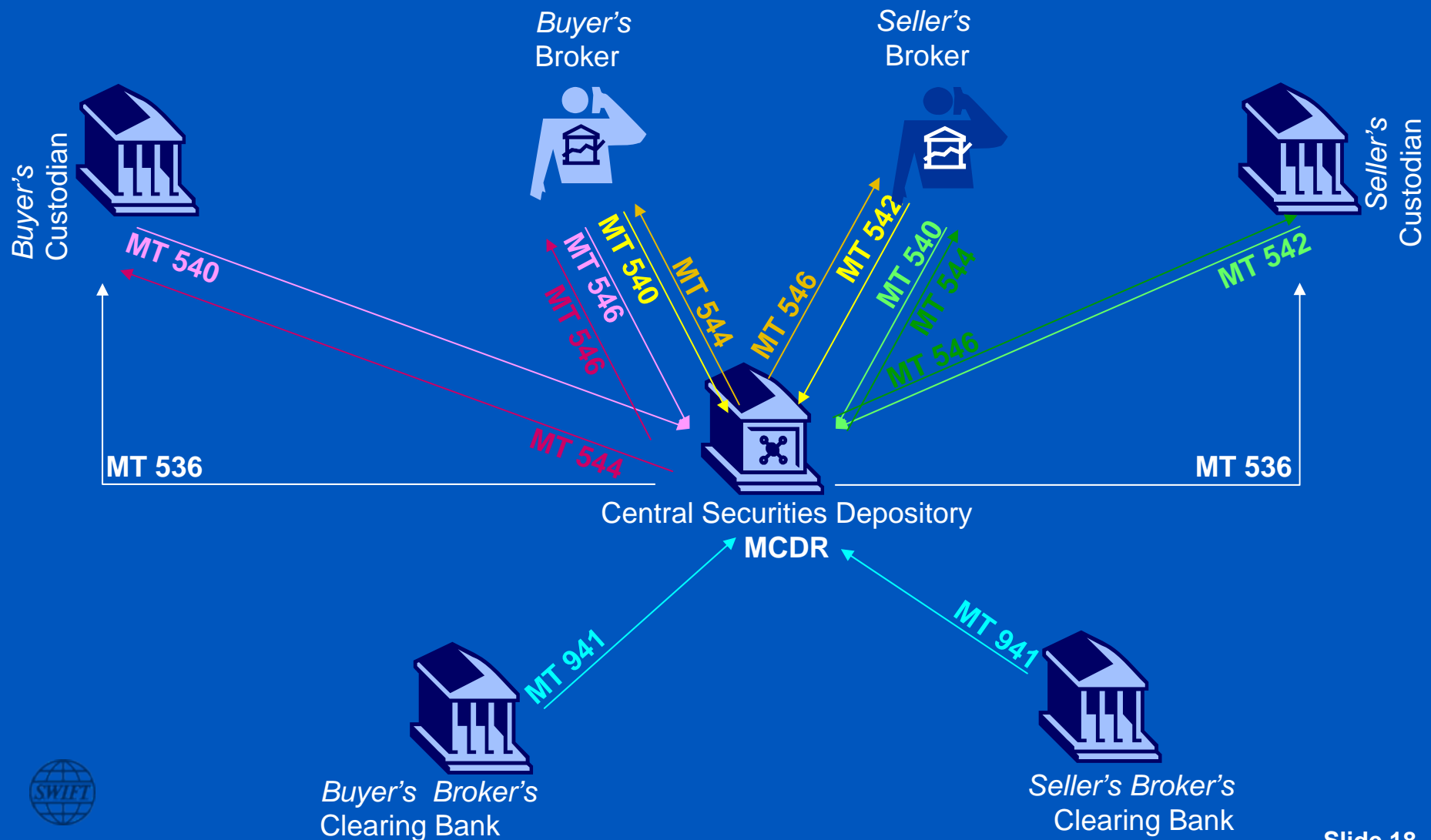


Egypt CSD market on SWIFT today

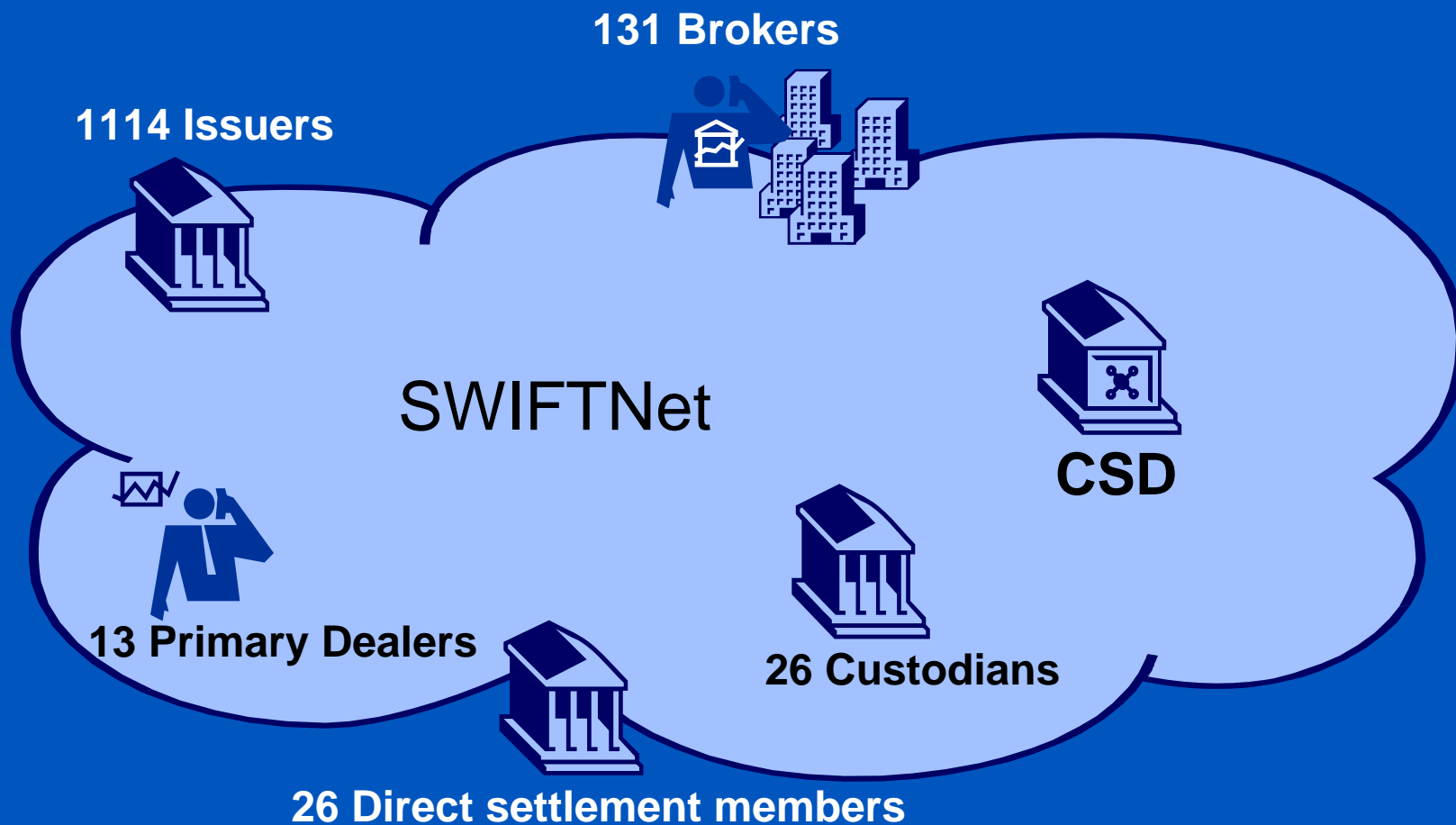


MCDR Project

Securities market messages recommended for phase-1

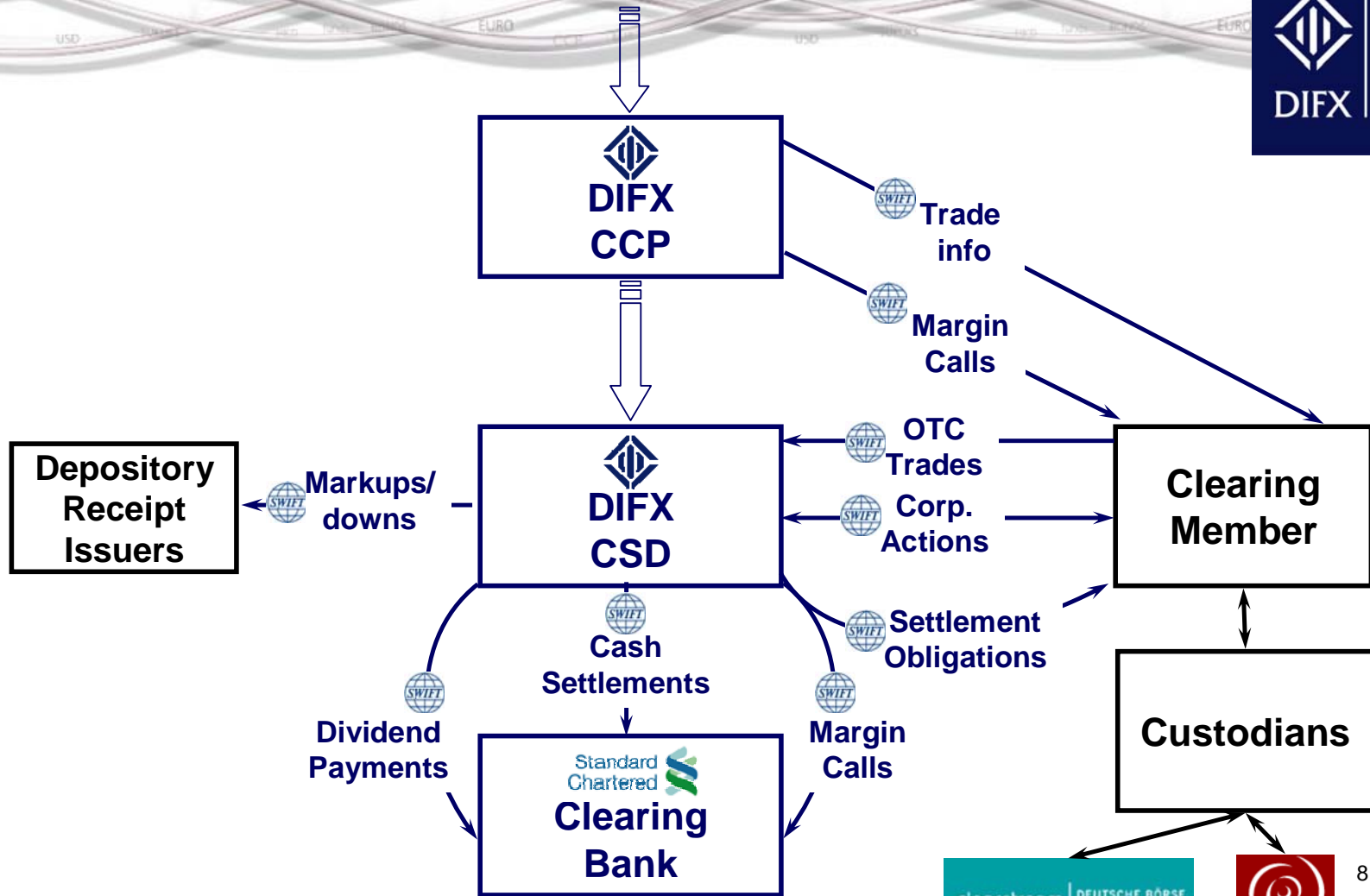


Egypt CSD market scope evolution

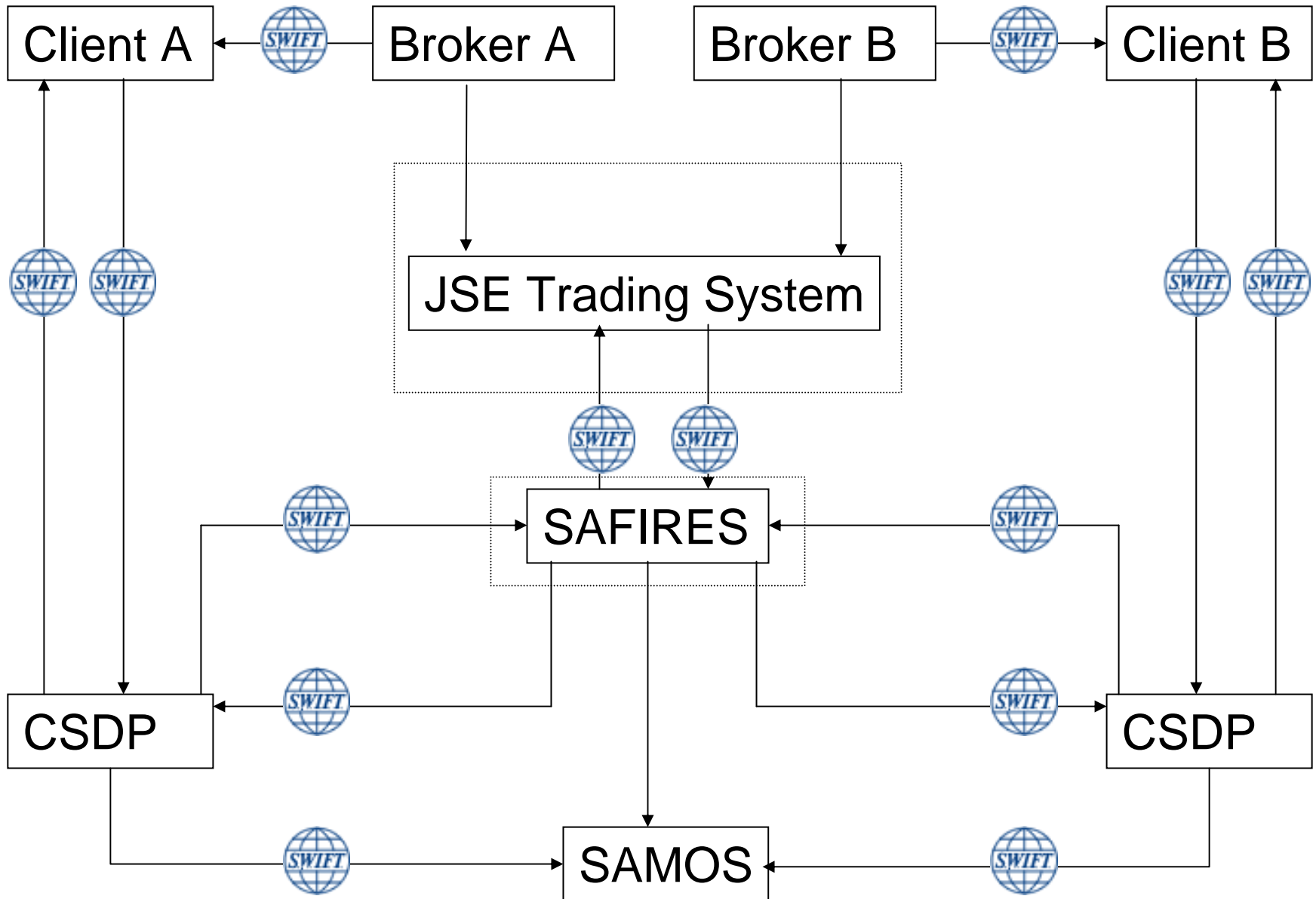




DIFX – post-trade infrastructure – use of SWIFT



On-Exchange Trade - SWIFT Message Flow



SWIFT pricing

- NO membership fees since July 2007
- Reduced message traffic fees over many years
- Lite to be introduced in Q4 2008
- New pricing for Category 5 reporting messages (subject to June 2008 board approval)
 - Allows multiple reporting messages into one message to a maximum of 10k characters
 - MT535-537, MT544-547, MT548 & MT578
 - Price advantage between 30% to 65%



SWIFT pricing

SWIFT is not expensive!

Bring your community onto SWIFT at
an affordable price

Talk to us!



An aerial photograph of a city, likely Vienna, Austria, showing a dense residential area with red-tiled roofs. A large green banner is overlaid on the top portion of the image.

15-19 September 2008

Vienna, Austria

A photograph of a large, ornate yellow building with many windows and a balcony. A green banner is overlaid on the bottom portion of the image.

Securities Markets Infrastructures
Forum on 15th Sep

The logo for Sibos, featuring the word 'sibos' in a stylized, lowercase font. The letters are white with a green outline, and the background is a grid of white squares.

sibos