

TMPG Meeting Minutes

September 11, 2018

TMPG attendees

Dan Dufresne (Citadel)	Ari Kavour (Wells Fargo)	James Slater (BNY Mellon)
Deirdre Dunn (Citigroup)	Edward McLaren (Bank of America)	Stu Wexler (NEX Group)
Kourtney Gibson (Loop Capital)	Sandie O'Connor (JP Morgan Chase)	Thomas Wipf (Morgan Stanley)
Beth Hammack (Goldman Sachs)	Jerry Pucci (BlackRock)	
Gary Kain (AGNC Investment Corp)	Ryan Sheftel (GTS)	

FRBNY attendees

Josh Frost	Brett Rose	Nate Wuerffel
Frank Keane	Janine Tramontana	
Radhika Mithal	Carolyn Windover	

U.S. Department of Treasury attendees

Fred Pietrangeli	Brian Smith
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- The meeting commenced with the Chair announcing that new member Marc Seidner from PIMCO will join the group in December.
- A co-chair of the clearing and settlement working group provided a brief summary of recent presentations to various industry groups on the TMPG's [White Paper on Clearing and Settlement in the Secondary Market for U.S. Treasury Securities](#). The co-chair noted that these efforts have been helpful in raising awareness about clearing and settlement in the Treasury market across a diverse set of market participants. Members were informed that following the conclusion of the public comment period on September 28, 2018, the working group would begin reviewing comments received, edit the White Paper as needed, and consider the need for edits or additions to TMPG best practice guidance. TMPG members had a brief preliminary discussion on risks identified in the White Paper and the applicability of certain existing best practice recommendations to such risks.
- The TMPG Secretary informed members about some upcoming events where TMPG members will be presenting about the committee's work, including the [SIFMA Annual Meeting](#) and the [Annual RMA Conference on Securities Lending](#). It was noted that the presentations are aimed at promoting awareness about the TMPG, will provide a general overview of the group and discuss recently published best practices guidance and current initiatives.
- During the discussion on progress towards implementing the TMPG's recommended [information handling best practices](#), members noted that their firms have taken several steps and are on track to adopt these practices by the year-end deadline. For example, it was noted that steps taken by member firms include consultations between business areas and internal

compliance departments about how to incorporate the new best practices into firm policies, training and procedures. Members also noted that they had engaged with their counterparties and developed outreach procedures for becoming aware of their counterparty's information handling practices, and making available their own practices when asked.

- The TMPG then reviewed summary statistics related to its [agency MBS margining recommendation](#). It was noted that as of June 15, 2018 TMPG member firms had, on average, executed margining agreements with about 66 percent of their counterparties; these agreements covered approximately 83 percent of notional trading volume of forward settling MBS transactions (excluding those centrally cleared); and margin exchange was operationalized for roughly 93 percent of these executed agreements. Members were informed that these statistics were generally in line with recent averages.
- The TMPG then discussed recent market developments including: reactions to the [July/August FOMC meeting](#), market expectations for policy through year-end, and views on recent trade and emerging market developments. Members also took note of several recent developments related to the FHFA single security initiative and preparations for the June 2019 implementation date, including mention in the [FOMC minutes](#) and an [IRS revenue ruling](#) on the tax treatment of the exchange of MBS under the initiative.
- The next TMPG meeting is scheduled to take place on October 23, 2018, from 3:00-5:00 PM.