



EUROPEAN CENTRAL BANK

EUROSYSTEM

Eurosystem Collateral Management System

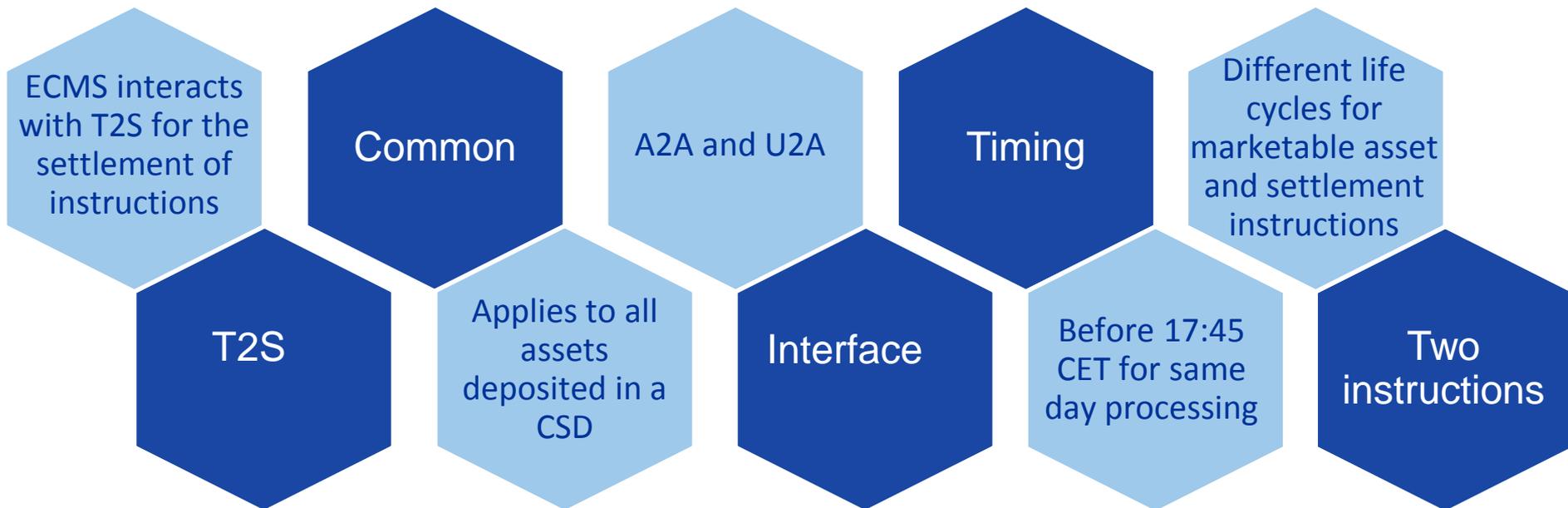
Information pack

Handling marketable assets in the ECMS

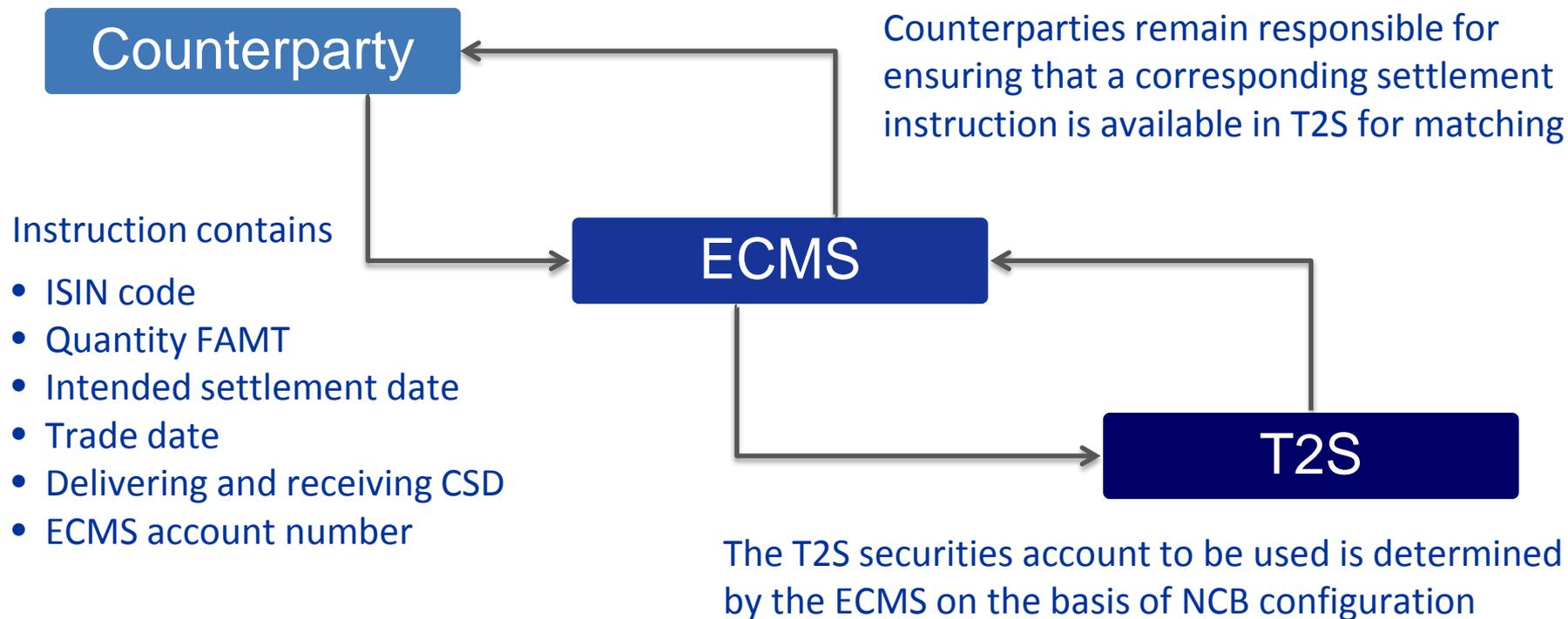
January 2020

target | ECMS
services

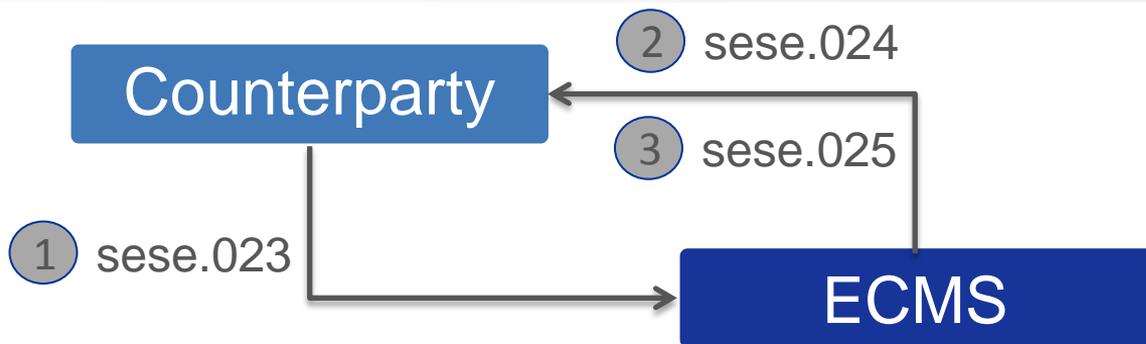
Marketable assets - features



Marketable asset instructions in the ECMS (1)

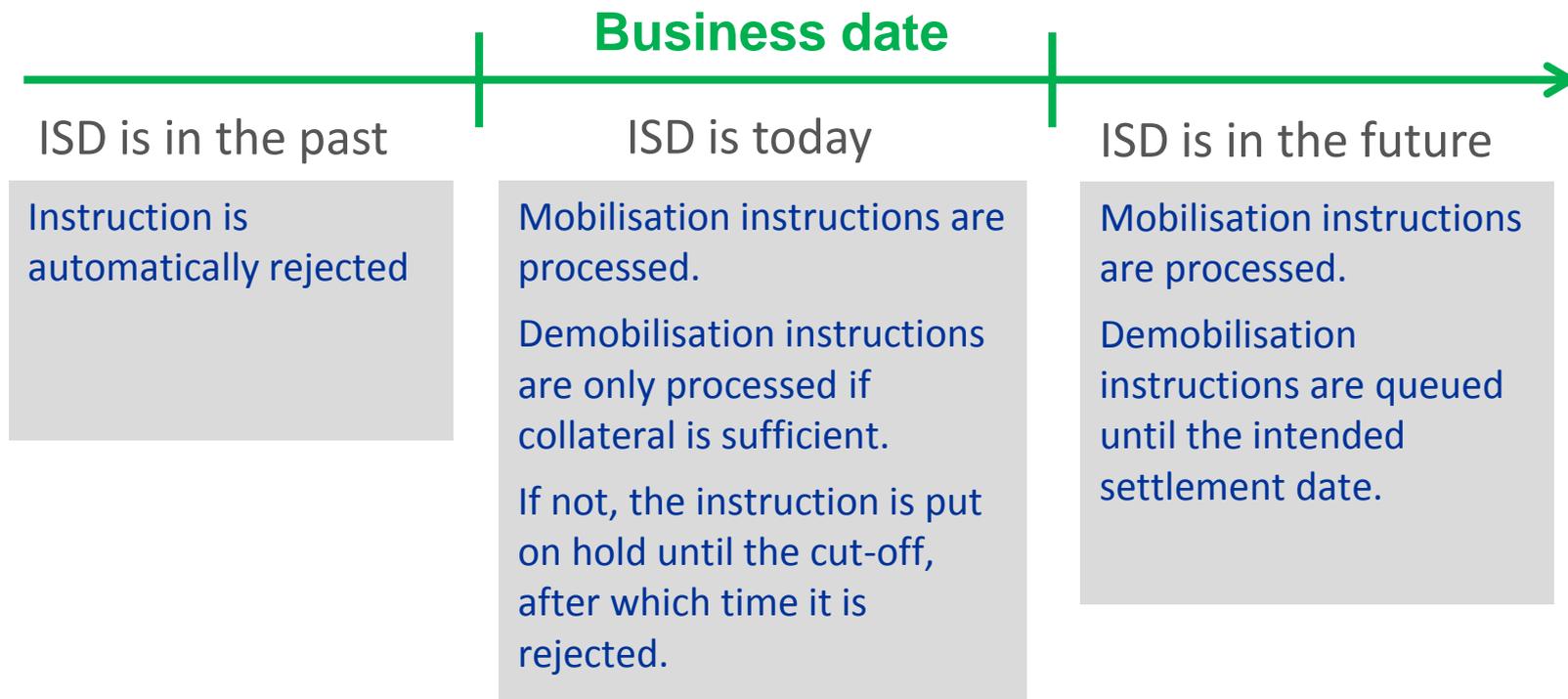


Marketable asset instructions in the ECMS (2)



- 1 The counterparty sends an instruction to (de)mobilise a marketable asset
- 2 The ECMS sends status advice:
Accepted or Rejected (or **Cancelled** if a sese.020 is received)
- 3 If the instruction is accepted the ECMS sends an instruction to T2S. When it is settled the ECMS sends a confirmation to the counterparty.

Intended settlement date (ISD)



Marketable asset positions

- Marketable asset positions in the ECMS are updated based on

Counterparty marketable
asset instructions

and

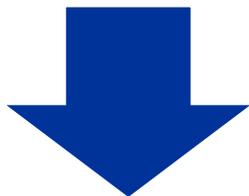
Corporate action events

- The valuation is performed by the ECMS upon mobilisation, and every day thereafter until the asset position is demobilised or matures.
- If an asset becomes ineligible, its value will be set to zero. The position is maintained until the counterparty sends a demobilisation instruction.

Impact of collateral instructions on the credit line



The **mobilisation** of an asset increases the credit line only when the instruction is confirmed.



The **demobilisation** of an asset first decreases the credit line before being further processed to ensure that outstanding credit operations are still sufficiently collateralised.

Collateral position type	Mobilisation instructions	Demobilisation instructions	Position
Provisional position	confirmed + pending	confirmed + pending	forecasted
Conservative position	confirmed	confirmed + pending	forecasted
Actual position	confirmed	confirmed	effective