

July 11, 2019

TMPG Updates Best Practice Recommendations

The Treasury Market Practices Group (TMPG) is updating its *Best Practices for Treasury, Agency Debt and Agency Mortgage-Backed Securities Markets* to incorporate recommendations that support rigorous management of clearing and settlement practices in these markets. The updated best practice recommendations address several potential risk and resiliency issues identified by TMPG members in the consultative [White Paper on Clearing and Settlement in the Secondary Market for U.S. Treasury Securities](#) published in July 2018.

In April 2019, the TMPG [published](#) the proposed updates to the best practice recommendations for public comment. The updates strengthen certain existing best practices and add several new practice recommendations. The TMPG received feedback from market participants supportive of the proposed modifications. All other elements of the TMPG best practice recommendations remain unchanged. With the publication of updated best practice recommendations, the TMPG is also updating and finalizing the [white paper](#) to reflect the actions it has taken.

“Today’s update to TMPG best practice recommendations is an important milestone and reflects a multiyear effort by TMPG members, in consultation with a broad range of market participants, to shed light on ways clearing and settlement practices in the U.S. Treasury secondary cash market can be enhanced. This work includes detailed maps illustrating clearing and settlement processes, and suggests that all market stakeholders carefully consider these recommendations and apply rigorous evaluation of the highlighted risks,” said Jerry Pucci, Chair of the TMPG.

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About the Treasury Market Practices Group:

The Treasury Market Practices Group (TMPG) is a group of market professionals committed to supporting the integrity and efficiency of the Treasury, agency debt and agency mortgage-backed securities (MBS) markets. The TMPG is composed of senior business managers and legal and compliance professionals from a variety of institutions – including securities dealers, banks, buy-side firms, market utilities and others – and is sponsored by the Federal Reserve Bank of New York. More information is available at: www.newyorkfed.org/tmpg

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