



TMPG | Treasury Market Practices Group

Announcement

July 15, 2009

TMPG to Monitor Impact of Recent Practice Guidance Before Further Evaluating Fails Margining Practices

The Treasury Market Practices Group (TMPG) today announced that it plans to monitor the impact of the U.S. Treasury Securities Fails Charge Trading Practice and the Recommended Closing Time Practices for Delivering Fedwire-Eligible Securities over the next several months before further evaluating practices for margining of settlement fails in Treasury securities transactions.¹

The TMPG recognizes that implementing the fails charge and the closing time guidance requires a significant use of operational resources and systems. Once operational work processes related to the fails charge and closing time guidance have been in place for a few months, the TMPG will focus anew on examining fails margining practices for Treasury securities.

¹ On November 12, 2008 the TMPG announced, and committed to further study and develop, several recommendations, including margining of settlement fails, aimed at addressing widespread and chronic settlement fails in market for U.S. Treasury securities. Please see the TMPG's website for additional information on these recommendations: <http://www.newyorkfed.org/tmpg/>.