XDL Testing in the Simulator

The Cross Border message type was introduced by Crest to enable the transfer of both UK and overseas stock across borders.

Cross Border Free of Payment Delivery [XDL] transactions are supported by the Simulator

XDL utilises the same basic structure as other intra-CREST transaction types, although additional fields are present to identify:

1. Delivering/receiving participant within the overseas CSD [Central Securities Depositories]
2. The account ID [if applicable] of the participant within the overseas
3. CSD

   Underlying buyer/seller fields

Participants and CSDs

Unlike other transaction types, the simulator adopts the use of the actual CREST Participant IDs and International CSD IDs. So for DELs where there are a number of special counterparties to use (SFL etc), for AXDN messages, inputs should be made using the same values as used for "International CSD" and "Counterparty" when inputting into CREST. The reason the simulator uses the actual values is because it's stock database is setup with the Issuer IDs as in CREST. As this information is validated against the details in the AXDN, if any messages were to use special IDs, the simulator's ISIN file would have to be reconfigured. A lot of validation is required to ensure the input is in accordance with templates in the CREST International Service Description. As this again is CSD specific, it works better if the sim adopts use of the actual CREST CSD codes.

When it comes to validating against these templates, the simulator will ensure that an AXDN input uses the correct fields and nationality of stock - so for example "International Account ID" cannot be populated when instructed to leave it blank. What the simulator cannot validate however is the actual data itself, i.e. it is not validated that the "Underlying Client BIC" is a valid S.W.I.F.T BIC code.

Creation and Settlement of XDLs

Once the input has been validated, the XDLs will be created the same as in CREST. Which means if the input does not need matching by the CSD, it will progress to IIB or straight to IIE. If the input does need matching, for example if Euroclear stock is being received, the XDL will remain at ABA until the client instructs the support desk to match it.

If you need to do additional testing for movements of stock that require a matched input, the 🔧support staff can allege against your party which you can then match. Likewise, where the input from a CSD does not need matching, the 🔧support desk can generate unmatched XDLs which deliver stock to your party.

Once matched or input, the XDLs will then settle on their ISD if there is sufficient stock. As with all other transactions, the status changes, stock postings and transaction details can all be enquired upon.

For further information, please contact the Support Desk on 01283 495215 or send an email.