FIGI (Financial Instrument Global Identifier) Global Case Study

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Free to use, FIGI is an open data standard that provides a solution for identifying and creating context-specific data models of financial instruments. The FIGI data model creates links between the different bespoke FIGI identifiers that exist for different functions and connects them rationally, providing a comprehensive identification solution that can complement existing methodologies, thereby avoiding forcing end users to change what they are used to using.

Registration Authority:

Bloomberg

Certified Provider:

Bloomberg

Kaiko
smart data

FIGI Identifier Format

Possibilities	21	21	G	31	31	31	31	31	31	31	31	10
Example	B	B	G	0	0	0	B	L	N	Q	1	6
Character	1	2	3	4	5	6	7	8	9	10	11	12

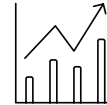**FIGI Coverage**

Asset Classes Coverage:
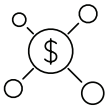
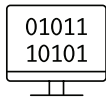Equities

Fixed Income

Loans

Futures

Options

Derivatives

Commodities

Crypto Assets

Indices

FIGI, an established global standard, is a randomly generated ID assigned to financial instruments across asset classes. While other market identifiers change over time, have usage restrictions and can be costly to use, the FIGI is unique, never-changing, persistent, free to use, free to issue and free to redistribute, under an MIT open-source license. FIGIs are capable of being assigned in a relationship-based hierarchy for some asset classes. For example; there are 3 levels of assignment for equities which helps to uniquely identify the instrument at the share class, country and local exchange trading level – no other identifier is assigned with such a naturally embedded relationship structure.

Using a semantically meaningless primary key as the identifier, FIGI is supported by metadata that describes the financial instrument, including specific context such as an exchange or national jurisdiction. It is a globally recognized standard, which is owned by the Object Management Group and distributed by Bloomberg as the Registration Authority. The FIGI was recently accredited in the US by the Accredited Standards Committee X9 and is also an approved standard with ABNT in Brazil.

Key features of FIGI

- **Persistence**
  The FIGI identifier portion will never change once issued, establishing an identifier with permanence.
- **Granularity**
  Through applying the FIGI data model, FIGI can identify financial instruments at different levels of granularity, and aggregate and relate these different representations. This enables interoperability between different market participants who may be using different identifiers. Aside from FIGI, there is no open data solution that provides a transformation from an exchange level ticker to a code accepted by a local central securities depository or can aggregate all exchanges on which an issue is traded.
- **Fungible**
  FIGI is fungible and in cases where a fungible identifier is required, users should apply the highest level of FIGI assignment for each asset class.
- **Data Interoperability**
  As mentioned above, FIGIs can be assigned at various levels of granularity. Currently this is enabled for Equities and Crypto assets, providing operational benefits for market participants through a unique and standardized identifier system. The equity hierarchy is illustrated in the diagram below:
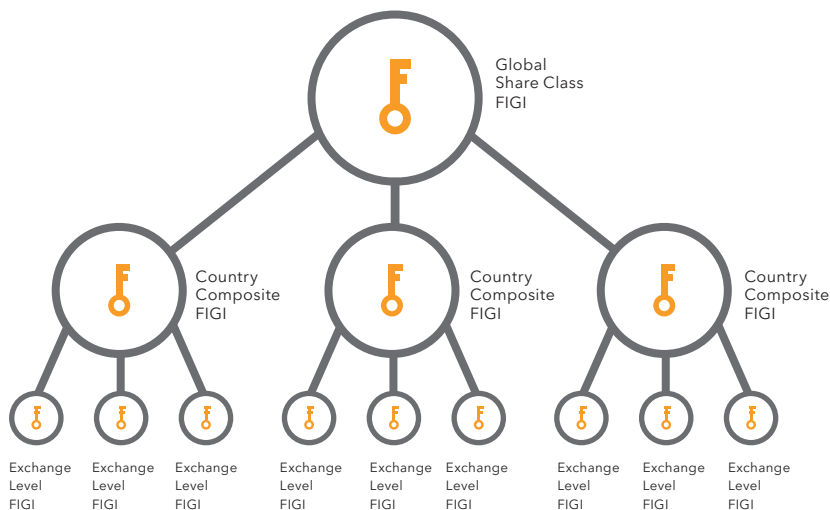
- **Open data/free**
  FIGI identifiers and Open Symbology metadata are available free of charge, with no material impediments to their use, storage or redistribution.

Industry Use Case Examples

FIX Protocol	• FIGI is supported as an identifier code in Version 5.0 and later of FIX Protocol. • Details can be found at: https://www.fixtrading.org/online-specification/introduction/
ISO 20022 and ISO 15022	• FIGI is supported in the external code set for ISO 20022 and ISO 15022, the international financial messaging standards used for securities and payments transactions on SWIFT and other financial market infrastructures. • Details can be found at: https://www.iso20022.org/catalogue-messages/additional-content-messages/external-code-sets
FINRA TRACE Reporting	• FIGI is mapped and automatically included in FINRA TRACE reporting, for the public benefit. • Details can be found here: https://www.finra.org/filing-reporting/trace/historic-file-layout-securitized-products
EU Benchmark Regulation	• FIGI coverage of benchmarks can assist firms with precisely identifying the benchmarks they need to identify for regulation compliance. • ISIN is optional under the legislation, and as most benchmarks do not even have ISINs, firms need often to rely on the full benchmark name, which can be confusing. FIGI helps firms to manage the identification challenge in their own systems.
ESG Data	• FIGI provides a granular identifier solution which can be used in conjunction with ESG data and assessments (further details on separate FIGI/ESG briefing sheet).
Blockchain	• Workable solutions for leveraging blockchain for the financial community are dependent on viable identification solutions. FIGI is being extended to cover crypto-assets.

Regulatory Reach

- SEC Form 13F reporting – FIGI can now be used optionally in this reporting.
- Changes under the U.S. Financial Data Transparency Act of 2022 will likely lead to greater use of open-source identifiers like FIGI in regulatory and other contexts.
- FIGI can be used as one of the options for the identification of underliers in OTC derivatives reporting in several Asian markets.
- SEC short sale reporting - FIGI can now be used optionally in this reporting.
- SEC securities lending rule - FIGI can be used for reporting.
- European Union EU Solvency II legistration - FIGI is a supported identifier for insurance company financial instrument exposure reporting in EU Solvency II legistration.
- HKMA and HK SFC OTC Derivatives Reporting Rule Rewrite in 2024 - there is no restriction to use FIGI to report the derivatives' underliers.

- Singapore MAS Proposed changes to Notice 122 - MAS allows users to submit unique identifiers including CUSIP, SEDOL, Short code and FIGI.
- Australia ASIC Derivative Transaction Rules - FIGI is also an option for reporting in Australia, where an alpha-numeric identifier can be used for underlier ID (other).
- CFTC Joint Form PF - Question 40 continues to require advisors to report for each reference asset the CUSIP, if any, and at least one of the following identifiers: ISIN, ticker, if ISIN is not available, or other unique identifier, if ISIN and ticker are not available. Advisers may, on an optional basis, report for each reference asset the FIGI.
- CFTC Larger Trader Reporting - The Commission supports providing reporting firms the option to choose among financial identifiers and believes it appropriate to allow FIGI as a value to be reported for the underlying contract data in the Part 17 Guidebook.

Case study spotlight

FIGI helps various business units to uniquely identify financial instruments throughout the life cycle of that instrument (such as ticker or name changes caused by corporate actions), as well as the trade life cycle and the need to be able to relate an instrument to a specific exchange or instead to a place of settlement location.

Buyside:

Business Units	Background	Challenges	Solution & Benefits
Portfolio & Risk Management	A fund manager with headquarters in China. This fund ranked in the top 10 in mainland China in terms of AUM.	The user is currently using multiple IDs to identify their bonds and sometimes the bonds are not assigned with any market ID. They also see a delay in other market ID assignment.	A bond will be assigned with FIGI and a related Bloomberg ticker once it is set up in the Bloomberg database. This user decided to map all FIGIs from Bond ticker, or other market identifiers, and stored it in their database. This makes sure all bonds are assigned with a unique ID, and any local or international market IDs are automatically linked together through FIGI.
Order & Execution Management (trading)	One of the first offshore asset managers set up by a regulated asset management company in China.	This manager is trading equities, indices, currencies, and derivatives. They are keeping at least 3 different ID schemes to identify those securities. Market data team need to constantly monitor corporate action and do cross checking before loading the IDs into their trading system.	By adding FIGI in their back-office security master file, they can make sure all their securities are linked to an identifier. The open-sourced nature of the ID always allows clients to use it without worrying about any potential cost incurred (unlike with other ID schemes that may be in use).
Compliance & Risk Oversight	One of the sovereign wealth funds in Australia	The fund wants to find out the list of debt securities issued by sanctioned entities.	With OpenFIGI API, they can use the Corp ticker linked to the sanctioned entities that they obtained from other data files to map to FIGIs. Bonds can share the same Corp ticker if they are issued by the same issuer whereas FIGI is uniquely assigned to a bond.
Data Management	One of the largest fund houses based in London	The fund house would like to create a new database, and they are currently subscribing to three different data vendors. All of them are using different identifiers to identify securities. It is very costly for them to keep all the market IDs, and those all require constant supervision.	They would like to add FIGI into their existing database and link all those third-party identifiers together. As FIGI is persistent, this helps them to identify the security with a consistent identifier – even entities that are subject to corporate actions.

Sellside:

Business Units	Background	Challenges	Solution & Benefits
Trading & Execution	One of the top three largest securities brokerage houses in China	Their trading department is using many different types of identifiers, and they need to match the code or check for the missing ID for their equities and derivatives stored in their security master. Their data team also monitors corporate actions as they need to sometimes adjust the code.	Users mapped all their securities to FIGIs. This unique and persistent ID helped them to identify their securities. They no longer need to worry about missing IDs.
Risk Management	The bank based in Australia would need to comply with the new Basel III/APS 112 rule.	The compliance team is required to collect credit ratings data. Originally, they were trying to rely on other market identifiers to get the ratings data for their bonds but not all the bonds they require are assigned with a market ID.	The team decided to add FIGI to the rating database, as then all the bonds will be assigned with a unique ID even if other market IDs are missing. Since they are also storing equity, futures and options in their database, they can now use one common key to identify all the instruments they need to cover.
Data Management	A quantitative trading firm based in New York City.	User was comparing various vendors databases in order to build a new security master.	FIGI's overall value as a reference data solution was key in providing confidence for the client in building a new security master specifically geared toward unique pricing level FIGI assignment.