



The following provides a collection of relevant publications for transition to new reference rates related to the following currencies: USD, Euro, Japanese Yen, British Pound, Swiss Franc, Australian Dollar, Singapore Dollar, HK Dollar, Brazilian Real, Canadian Dollar, Mexican Peso, South African Rand, China/SHIBOR and Indonesia/JIBOR.*

November 2019

GFMA, AFME, ASIFMA and SIFMA

[SIFMA Capital Markets Conference Debrief, LIBOR Transition Update \(November 2019\)](#)

Following SIFMA's Annual Meeting, [the Capital Markets Conference](#), SIFMA published perspectives and themes on key topics discussed during the event. These materials included a section on the LIBOR transition. This section provides an overview of key updates in the U.S. occurring over the last year, as well as a timeline of expected events that are planned to occur prior to LIBOR's (potential) end.

[SIFMA Interview with FRBNY President and CEO John Williams \(November 19, 2019\)](#)

In a one-on-one interview, SIFMA President and CEO and GFMA CEO Kenneth E. Bentsen, Jr. and Federal Reserve Bank of New York (FRBNY) President and CEO John Williams discussed many topics including the transition to new reference rates. Additional topics discussed included interest rates, monetary policy, and the U.S. economy. This interview occurred as a part of SIFMA's Annual Meeting, [the Capital Markets Conference](#).

GLOBAL

[FSB Delivers Letter to ISDA on Pre-Cessation Triggers \(November 19, 2019\)](#)

The Co-Chairs of the Financial Stability Board's (FSB) Official Sector Steering Group (OSSG), Andrew Bailey and John Williams, delivered a letter to ISDA encouraging ISDA to include pre-cessation triggers in standard swaps documentation. Per below update, ISDA recently [published a report](#) summarizing the responses to its consultation on final parameters for benchmark fallback adjustments.

[ISDA Publishes Report Summarizing the Results of Consultation on Final Parameters for Benchmark Adjustments \(November 15, 2019\)](#)

ISDA published a [report](#) summarizing the results of its [consultation](#) on final parameters for benchmark adjustments. Following this consultation, ISDA plans to make the relevant amendments to the 2006 ISDA Definitions to include fallbacks with the appropriate adjustments for new trades referencing IBORs. In July 2019, [Bloomberg was selected](#) to publish these adjustments. ISDA also plans to publish a protocol to enable market participants to include fallbacks in legacy IBOR contracts. The amended 2006 ISDA Definitions and this protocol are

expected to be finalized by the end of 2019 with implementation in 2020. Per above update, the Financial Stability Board (FSB) also sent a [letter](#) to ISDA encouraging ISDA to include pre-cessation triggers in standard swaps documentation.

NORTH AMERICA

CAD

[CARR Releases Minutes from October Meeting \(October 21, 2019\)](#)

The Canadian Alternative Reference Rate Working Group (CARR) released the minutes from its 21 October 2019 meeting. The minutes include a review of international developments, updates from CARR's subgroups, and other items. The Transition subgroup provided the results of a survey on computer systems that may be impacted by the transition, as well as an initial draft of its Canadian Benchmark Transition User Guide. The Term Risk-Free Rate subgroup presented on an upcoming survey to determine the need for a forward-looking Canadian RFR. Additionally, the Fallback subgroup provided an overview of fallback language included in recent debt issuance and the Accounting, Tax and Regulation subgroup indicated that it would provide CARR members a draft Terms of Reference prior to the next CARR meeting.

USD

[ARRC Publishes Newsletter \(October – November 2019\)](#)

The Alternative Reference Rates Committee (ARRC) published its latest newsletter for October – November 2019. The newsletter provides an update from the ARRC on global IBOR transition topics with an added focus on the US market. Previous versions of the Newsletter can be found at the [ARRC site](#).

[ARRC Releases Appendix to its SOFR Floating Rate Notes Convention Matrix \(November 21, 2019\)](#)

The Alternative Reference Rates Committee (ARRC) released an [Appendix](#) to its [Secured Overnight Financing Rate \(SOFR\) Floating Rate Notes \(FRN\) Convention Matrix](#). In addition to the Appendix and the Convention Matrix, ARRC has also previously released a SOFR FRNs Comparison Chart outlining conventions already being used in the market. The Appendix also utilizes the ARRC's [recommended fallback language](#) for SOFR-based FRNs.

[ARRC Welcomes Fannie Mae and Freddie Mac Decisions to Use Recommended Fallback Language in New ARMs \(November 15, 2019\)](#)

The Alternative Reference Rates Committee (ARRC) released an announcement welcoming [Fannie Mae](#) and [Freddie Mac's](#) decisions to utilize the ARRC's recommended fallback language for new USD denominated closed-end, residential adjustable-rate mortgages (ARMs). ARRC's release regarding the fallback language for ARMs can be found [here](#) and additional details regarding all ARRC recommended fallback language can also be found on the [ARRC site](#).

[ARRC Announces Recommended Fallback Language for Residential Adjustable-Rate Mortgages \(November 15, 2019\)](#)

The Alternative Reference Rates Committee (ARRC) released recommended contractual fallback language for new USD denominated closed-end, residential adjustable-rate mortgages

(ARMs). These provisions are for market participants' voluntary use in residential ARMs referencing USD LIBOR and would replace USD LIBOR with a spread-adjusted index based on the Secured Overnight Financing Rate (SOFR) in the event that LIBOR is no longer available. Information on all ARRC recommended fallback language can be found on the [ARRC site](#). Additionally per below update, a summary of these fallbacks is also [available](#).

[ARRC Releases Summary of its Five Sets of Recommended Fallback Language \(November 15, 2019\)](#)

The Alternative Reference Rates Committee (ARRC) released a summary of the five sets of fallback language that the ARRC has previously released. These recommended fallbacks include [adjustable rate mortgages](#) (ARMs), [bilateral business loans](#), [floating rate notes](#), [securitizations](#), and [syndicated loans](#). The summary provides an overview of the triggers, benchmark replacement rates, and spread adjustments relating to the recommended fallback language for each of the products. Additional information on all ARRC recommended fallback language can be found on the [ARRC site](#).

[FASB Announces Tentative Decisions Regarding Reference Rate Reform \(November 13, 2019\)](#)

The Financial Accounting Standards Board (FASB) announced tentative accounting standards decisions following their Board Meeting on November 13. Decision topics discussed included contract modification relief, hedge accounting relief, transitional issues, the LIBOR termination date, disclosures, analysis of costs and benefits, and the next steps for the Board. Please note all decisions are tentative and may be changed at future Board meetings. Details on the FASB reference rate reform project can be found on the [FASB site](#).

[ARRC Releases Follow-up Letter to the CFTC Regarding Regulatory Issues Relating to the IBOR Transition \(November 6, 2019\)](#)

The Alternative Reference Rates Committee (ARRC) released a letter to the Commodity Futures Trading Commission (CFTC) relating to regulatory issues associated with the transition of derivative contracts from IBORs to alternative risk-free rates (RFRs). The letter provides updates and consolidates previous letters sent from the ARRC to the CFTC requesting regulatory clarification on this topic.

[FRBNY Requests Public Comment on a Proposed Publication of SOFR Averages and a SOFR Index \(November 4, 2019\)](#)

The Federal Reserve Bank of New York issued a statement requesting public comment on a proposed publication of SOFR averages and a SOFR index. The SOFR averages include tenors of 30-, 90, and 180- calendar days and would begin publication in the first half of 2020. The comment period will be open until December 4, 2019. The [Alternative Reference Rates Committee \(ARRC\)](#) also published a notice welcoming this consultation with further details on the proposal.

[Agencies Propose Rule to Amend Swap Margin Rules Including Certain Relief to Legacy Swaps Transitioning Away from LIBOR \(October 28, 2019\)](#)

The Board of Governors of the Federal Reserve System (FRB), Farm Credit Administration (FCA), Federal Deposit Insurance Corporation (FDIC), Federal Housing Finance Agency

(FHFA), and Office of the Comptroller of the Currency (OCC) announced a proposal to change the swap margin rules to facilitate the implementation of prudent risk management strategies. As a part of the proposal, the agencies also proposed to allow certain technical amendments to legacy swaps without altering their status under the swap margin rules in order to assist in the transition away from LIBOR. The full text for the proposed rule can be found [here](#).

EUROPE

CHF

[NWG Releases Executive Minutes of its 12 November 2019 Meeting \(November 13, 2019\)](#)

The National Working Group on Swiss Franc Reference Rates (NWG) released the executive minutes of its 12 November 2019 meeting. The executive minutes include a list of key items from the meeting as well as the recommendations agreed to by the NWG members. The full minutes are expected to be released on the [NWG website](#).

EUR

[WG on EUR RFR Publishes Minutes from its 16 October 2019 Meeting \(November 21, 2019\)](#)

The Working Group on Euro Risk-Free Rates (WG on EUR RFR) published the detailed minutes from its 16 October meeting. The minutes included updates from the Chair as well from the WG's subgroups. Additionally, the minutes include presentations from administrators interested in developing €STR-based forward-looking term structures. Further information on WG meetings can be found at the [ECB website](#).

[WG on EUR RFR Recommends Fallback Arrangements for €STR Users \(November 12, 2019\)](#)

The Working Group on Euro Risk-Free Rates (WG on EUR RFR) [published](#) a report with recommended fallback arrangements for users of €STR. The report includes two options assessed for the possible fallback arrangements for €STR products. The WG recommended “that market participants consider the measures that might be taken by the ECB as part of the regular review of the €STR methodology, as well as the policies and procedures followed in the event of possible cessation of €STR, along with the fallback provisions provided by the working group in the [EONIA to €STR Legal Action Plan](#).”

[WG on EUR RFR Publishes High-Level Recommendations for Fallback Provisions in Contracts Referencing EURIBOR \(November 6, 2019\)](#)

The Working Group on Euro Risk-Free Rates (WG on EUR RFR) issued high-level recommendations for fallback provisions in contracts referencing EURIBOR. The recommendations include legacy contracts which are contracts referencing EURIBOR entered into after 1 January 2018 that also fall under the EU Benchmarks Regulation (BMR). The WG also recommends that all new financial instruments and contracts referencing EURIBOR incorporate fallbacks, even if they do not fall within the scope of BMR. The full text of the report including the recommendations is available [here](#).

[WG on EUR RFR Publishes Report on Financial Accounting Impacts from the Transition from EONIA to €STR \(November 5, 2019\)](#)

The Working Group on Euro Risk-Free Rates (WG on EUR RFR) published a report on the financial accounting implications of the transition from EONIA to €STR and the introduction of €STR-based fallbacks for EURIBOR. The accounting implications are based on International Financial Reporting Standards (IFRS) and International Accounting Standards (IAS). The report's recommendations cover the impact of the transition from EONIA to €STR on the modification of contracts and hedge accounting, fallbacks for EURIBOR and hedge accounting, and general accounting and financial reporting. The text of the full report can be found [here](#).

GBP

[The UK RFRWG Opens Invitations for Membership of the Tough Legacy; Cash Market Legacy Transition and Loans Flow Enablers Task Forces \(November 2019\)](#)

The task forces will focus on enablers to moving new loans issuance away from GBP LIBOR, a framework to support transition of legacy cash products, and providing market input regarding the 'touch legacy' of products that may prove unable to be converted or amended to include robust fallbacks. Parties interested in joining should contact the UK RFRWG Secretariat at the Bank of England. This update and UK RFRWG Secretariat contact details can be found in the body of the UK RFRWG [webpage](#).

[The UK RFRWG Invites Providers of Loans Management Systems and Treasury Management Systems to Present on Readiness for Transition to SONIA \(November 2019\)](#)

Specifically, providers are asked to present on their readiness to incorporate compounded SONIA capability in their products. Presentations would be made primarily to the Infrastructure Sub-Group, though the main Working Group itself will be interested to hear directly from those that are most advanced in their implementation. Interested parties should contact the UK RFRWG Secretariat at the Bank of England. This update and UK RFRWG Secretariat contact details can be found in the body of the UK RFRWG [webpage](#).

[The UK RFRWG Published the Minutes for its September 2019 Meeting \(November 22, 2019\)](#)

The Working Group on Sterling Risk-Free Rates (UK RFRWG) published the minutes of its September 2019 meeting. The minutes include information on the meetings agenda items including standing items, a term rate provider presentation from HIS Markit, an update on OIS quote streaming discussions, working group updates, an update on the ISDA consultation process, recent developments, and any other business.

[FCA Recommends End to Using LIBOR in Sterling IRS Market Starting Q1 2020 in Speech by Edwin Schooling Latter \(November 21, 2019\)](#)

Edwin Schooling Latter, Director of Markets and Wholesale Policy at the Financial Conduct Authority (FCA), announced in a speech that the FCA encourages market participants to only reference SONIA in the sterling interest rate swap (IRS) market beginning in Q1 2020. He also referenced that the Sterling Risk-Free Working Group (RFRWG) has set a target of Q3 2020 to stop lending using LIBOR.

[The FCA Answers Key Questions on Conduct Risk Arising from the LIBOR Transition \(November 21, 2019\)](#)

The Financial Conduct Authority (FCA) published answers to key questions on conduct risk resulting from the LIBOR transition. These answers are directed at questions impacting investment banks, asset and wealth managers, insurers, retail banks, building societies and mortgage lenders, and other intermediaries such as advisors and brokers. The answers outline the FCA's expectation that these participants have a strategy in place and take necessary action during the transition, as well as the expectation that consumers are treated fairly and that participants follow FCA rules and guidance.

APAC

HKD

[TMA Announces Upcoming Seminar on Benchmark Transition \(To Be Held 10 December 2019\)](#)

The Hong Kong Treasury Markets Association (TMA) announced a seminar entitled "Progressing with Benchmark Transition: Resources and Actions" to be hosted on 10 December 2019. The seminar will include key speakers from Bloomberg L.P. and the topics will cover an overview of the benchmark transition, data and pricing for the transition, transition challenges for OTC and cash markets, and fallbacks.

[HKMA Releases Letter Regarding Transition to New Reference Rates \(October 23, 2019\)](#)

The Hong Kong Monetary Authority (HKMA) published a letter from Raymond Chan, Executive Director of Banking Supervision, addressed to the CEOs of relevant authorized institutions. The letter provides an overview and status update on the transition in Hong Kong. It also notes that the Treasury Markets Association (TMA) has completed a public consultation on technical refinements to HONIA and that the results will be released in due course.

JPY

[The Cross-Industry Committee on Japanese Yen Interest Rate Benchmarks Publishes the Minutes for its 1 November 2019 Meeting \(November 22, 2019\)](#)

The Cross-Industry Committee on Japanese Yen Interest Rate Benchmarks published the minutes of its 1 November 2019 meeting. Major topics highlighted in the minutes include the results of the Committee's [public consultation](#) on the appropriate choice and usage of JPY interest rate benchmarks, as well as the Committee's [efforts to solicit entities to calculate and publish term reference rates](#) (further details in Oct 29 JPY update below).

[The Cross-Industry Committee on Japanese Yen Interest Rate Benchmarks Publishes its latest List of Participants \(November 5, 2019\)](#)

The Cross-Industry Committee on Japanese Yen Interest Rate Benchmarks published an updated list of Committee participants. The list is as of November 5, 2019. Additional details about the Committee can be found on its [website](#).

[The Cross-Industry Committee on Japanese Yen Interest Rate Benchmarks Releases Statement Soliciting Potential Future Administrators of JPY Term Reference Rates \(October 29, 2019\)](#)

The Cross-Industry Committee on Japanese Yen Interest Rate Benchmarks released a statement soliciting potential future administrators of JPY term reference rates. The Committee's previous [consultation](#) described the need for a gradual two-phase approach to begin calculating and publishing term structures based on JPY overnight swaps. In the first phase, prototypes will not be assumed to actually be referenced in contracts. However, in the second phase, production rates that are assumed to actually be used, will be calculated and published. The Committee's solicitation is focused on entities that will calculate and publish prototype rates for the first phase. The solicitation also includes the requirements for applicants.

*All information collected and provided for this report is publicly available