



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.\*

## October 2020

### GFMA, ASIFMA, AFME, SIFMA

#### [SIFMA to Host Virtual LIBOR Transition Forum \(December 10, 2020\)](#)

SIFMA will be hosting a virtual LIBOR Transition Forum on Thursday, December 10, to hear from industry experts and regulators as they discuss the top priorities for the final 380 days. Further details and registration are available on the event [webpage](#).

#### [ASIFMA Virtual Event \(in collaboration with VBMA\) on the IBOR Transition in Vietnam \(November 17, 2020\)](#)

As part of its "IBOR Transition Series: A Local Market Perspective," ASIFMA will be hosting a virtual event in collaboration with VBMA focusing on IBOR transition in Vietnam. Further details and registration are available on the ASIFMA event [page](#).

#### [ASIFMA Virtual Event on the IBOR Transition in Thailand \(November 24, 2020\)](#)

As part of its "IBOR Transition Series: A Local Market Perspective," ASIFMA will be hosting a virtual event focusing on IBOR transition in Thailand. Further details and registration are available on the ASIFMA event [page](#).

#### [AFME Publishes Model Wording on EURIBOR Transition \(October 12, 2020\)](#)

AFME published Model Wording for EURIBOR Transition for new issues of securitization bonds to help facilitate the transition from EURIBOR to new risk-free rates. The model wording provides an easier mechanism for the transition from an alternative (once identified) without the need to undertake a consent solicitation.

## Global

#### [ISDA Launches its IBOR Fallbacks Supplement and Protocol \(October 23, 2020\)](#)

ISDA launched the IBOR Fallbacks Supplement to the 2006 ISDA Definitions and the ISDA 2020 IBOR Fallbacks Protocol on 23 October 2020. The supplement and amendments will take effect on 25 January 2021. This means that all new derivatives contracts that incorporate the 2006 ISDA Definitions and reference one of the covered IBORs will be subject to the new fallbacks. The initial announcement regarding the official launch date can be found [here](#).

### **[FSB Publishes Global Transition Roadmap for LIBOR \(October 16, 2020\)](#)**

The Financial Stability Board (FSB) published a global transition roadmap for LIBOR that sets out a timetable of actions for financial and non-financial sector firms to take to ensure a smooth transition by the end of 2021. The full text can be found [here](#).

### **[FSB Publishes Support for Broad and Timely Adherence to the ISDA IBOR Fallbacks Protocol \(October 9, 2020\)](#)**

The Financial Stability Board (FSB) welcomed the [announcement](#) by ISDA regarding the launch of the ISDA IBOR Fallbacks Protocol and IBOR Fallbacks Supplement. The FSB encourages broad and timely adherence to the Fallbacks Protocol and Fallbacks Supplement by market participants.

### **[BIS Publishes Working Paper Investigating Different Ways of Constructing Term Rates from Overnight Rates \(October 9, 2020\)](#)**

The Bank for International Settlements (BIS) published a working paper that looks at different ways of constructing term rates from overnight rates. The paper evaluates several approaches to reduce the basis by using term rates known at the start of the interest period.

## **NORTH AMERICA**

### **CAD**

#### **[CARR's Mandate is Expanded to Include an Analysis of CDOR \(October 19, 2020\)](#)**

The Canadian Fixed Income Forum (CFIF) expanded the mandate of the Canadian Alternative Reference Rate Working Group (CARR) to include an analysis of the Canadian Dollar Offered Rate (CDOR). To accommodate for this expansion, CARR will be reconstituted to deliver on its two primary objectives which include “supporting the adoption of, and transition to, CORRA as a key financial benchmark for Canadian derivatives and securities” and “analysing the current status of CDOR.”

### **USD**

#### **[ARRC Publishes Memo Regarding “Capital and Liquidity Regulatory Considerations in the Context of a Transition from Interbank Offered Rates to Alternative Risk-Free Rate Benchmarks” \(November 2, 2020\)](#)**

The Alternative Reference Rates Committee (ARRC) released a memorandum to the Federal Reserve, FDIC, and OCC summarizing its preliminary findings and recommendations regarding potential regulatory considerations pertaining to the application of current and anticipated capital and liquidity requirements in the context of the transition to alternative risk-free rates.

#### **[ARRC Publishes FAQs Regarding its RFP for the Publication of Forward-Looking Term SOFR Rates \(Last Updated October 29, 2020\)](#)**

The Alternative Reference Rates Committee (ARRC) published a set of frequently asked questions (FAQs) regarding its [request for proposal](#) (RFP) that was published in September 2020. The RFP seeks to determine a potential administrator to publish forward-looking SOFR

term rates, to be published in the first half of 2021 if the liquidity of the SOFR derivatives market is sufficiently developed.

### **[ARRC Announces Support for the ISDA IBOR Fallbacks Protocol and Encourages Adherence \(Last Updated October 22, 2020\)](#)**

The Alternative Reference Rates Committee (ARRC) welcomed the [announcement](#) by ISDA regarding the launch of the ISDA Fallbacks Protocol and IBOR Fallbacks Supplement. As part of their announcement, the ARRC also urged for timely and widespread adherence to the Protocol.

### **[CFTC Staff Provides Reporting Relief for Swaps Related to DCO Auctions as Part of the Transition from LIBOR \(October 13, 2020\)](#)**

The US Commodity Futures Trading Commission (CFTC) announced swap transaction and pricing data reporting relief for specific derivatives clearing organizations (DCOs) and market participants participating in DCO auctions to help transition certain cleared swaps from using the Effective Federal Funds Rate (EFFR) to the SOFR. The relief was announced in two no-action letters including [one](#) providing relief for swaps executed as part of the LCH Limited discounting transition and [another](#) for swaps executed as part of the CME Inc. discounting transition.

### **[ARRC Publishes FAQs Regarding its RFP for the Administration of Recommended Spread Adjustments and Spread-Adjusted SOFR Rates to Facilitate Contractual Fallbacks \(October 9, 2020\)](#)**

The Alternative Reference Rates Committee (ARRC) published a set of frequently asked questions (FAQs) regarding its [request for proposal](#) (RFP) that was published in September 2020. The RFP seeks to determine a potential administrator for the publishing recommended spread adjustments and spread-adjusted SOFR rates to facilitate contractual fallbacks.

### **[The IRS Publishes Guidance Relating to the ISDA Protocol and ARRC Fallbacks \(October 9, 2020\)](#)**

The US Internal Revenue Service (IRS) published a Revenue Procedure providing guidance on the transition away from IBORs. The guidance generally provides that modifying contracts to incorporate the ISDA updated ISDA Protocol and ARRC fallback language will not result in a realization event.

### **[The FRB Publishes Supervision and Regulation Letter Regarding the ISDA IBOR Fallback Protocol and IBOR Fallback Supplement \(October 9, 2020\)](#)**

The US Federal Reserve Board (FRB) published a supervision and regulation letter stating that it “strongly supports the transition away from LIBOR and that it expects supervised institutions to manage the risks associated with this transition in a manner commensurate with their size and risk profile.” The letter also states the FRB is supportive of ISDA’s efforts and that “broad adherence by market participants to the Protocol is important for mitigating the financial stability risks associated with LIBOR becoming unstable.”

### **[GNMA Announces Adoption of ARRC Fallback Recommendations for LIBOR Classes of GNMA Multiclass Securities Issued Before March 2020 \(October 7, 2020\)](#)**

Ginnie Mae (GNMA) announced that it will adopt the ARRC Recommendations for issuances of LIBOR floating rate securities issued before March 2020. Consequently, the fallback language for all GNMA LIBOR floating rate securities will be the same, regardless of the issuance date of the securities.

### [DOJ Letter Confirms it has No Present Intention to Challenge Amendments to ISDA's Protocol \(October 1, 2020\)](#)

The US Department of Justice (DOJ) provided a letter to ISDA concluding that the amended ISDA Protocol is unlikely to produce anticompetitive effects and that it has the potential to provide benefits to the financial services industry. For this reason, the letter confirms the DOJ has no present intention to challenge the proposal to amend the Protocol.

## **EUROPE**

### **CHF**

### [SBA Publishes New Documentation for the Swiss Master Agreement for OTC Derivatives \(October 30, 2020\)](#)

The Swiss Banking Association (SBA) published updated documentation for the Swiss Master Agreement (SMA) for OTC derivatives that will help facilitate the IBOR transition and enable trading of derivatives referencing EONIA and alternative risk-free rates such as SARON.

### [NWG Publishes Minutes from September Meeting \(October 22, 2020\)](#)

The National Working Group on Swiss Franc Reference Rates (NWG) published the minutes of its 29 September 2020 meeting. The minutes webpage includes an executive summary of the meeting, minutes, and meeting presentation materials. Agenda items included the results of FINMA's self-assessment, SARON-based cash products, SARON-based derivatives, LIBOR end-scenarios and fallback language, an FAQ section on the publication of additional material, and recommendations and next steps.

### [FINMA Publishes Guidance on the LIBOR Replacement for Derivatives \(October 16, 2020\)](#)

The Swiss Financial Market Supervisory Authority (FINMA) published guidance recommending that supervised institutions affected by the replacement of LIBOR sign the new ISDA Fallbacks Protocol as soon as possible.

### [NWG Announces Expected CHF LIBOR Discontinuation Date \(September 29, 2020\)](#)

The National Working Group on Swiss Franc Reference Rates (NWG) announced that it expects the discontinuation of CHF LIBOR by the end of 2021 on its NWG Milestones [page](#). The announcement states that "the Swiss Financial Markets Supervisory Authority (FINMA), based on the results of their self-assessment survey, reports that CHF LIBOR tough legacy volume appears to be small and not an existential problem." For this reason, the NWG, along with representatives from FINMA and SNB, recommend that market participants adopt robust fallback in all contracts, including signing up to the ISDA IBOR Fallbacks Protocol.

### **EU**

### [WG on EUR RFR Publishes October Newsletter \(October 22, 2020\)](#)

The Working Group on Euro Risk-Free Rates (WG on EUR RFR) released its latest newsletter for October 2020. The newsletter provides an update from the Working Group regarding the RFR transition in the EUR market with a focus on market and regulatory developments, and recent publications and recommendations. Previous editions of the Newsletter can be found on the European Central Bank [site](#).

### [ECB Publishes Summary of Responses to Public Consultation on the Publication of Compounded Term Rates Using €STR \(October 7, 2020\)](#)

The European Central Bank (ECB) published a summary of the responses to its public consultation on the publication of compounded term rates. The consultation closed on Friday, 11 September 2020 and received responses from 44 market participants.

### [ESMA Issues Public Statement on the Impact of Brexit on the EU BMR \(October 1, 2020\)](#)

The European Securities and Markets Authority (ESMA) issued a public statement regarding the consequences of Brexit for the ESMA register for benchmark administrators and third country benchmarks under the EU Benchmark Regulation (BMR). The statement outlines the position of third country administrators and the use of their benchmarks during and after the Brexit transition.

### [ECB Publishes €STR Statement of Compliance with IOSCO Principles for Financial Benchmarks \(September 30, 2020\)](#)

The European Central Bank (ECB) published its statement of compliance with the Principles for Financial Benchmarks developed by the International Organization of Securities Commissions (IOSCO) regarding its administration of €STR. The statement also confirms independent assurance by an external auditor.

### [ESMA Publishes Final Report Containing New Sets of Draft RTS Under the BMR \(September 29, 2020\)](#)

The European Securities and Markets Authority (ESMA) published its final report containing new sets of draft regulatory technical standards (RTS) under the EU Benchmarks Regulation (BMR). The final report follows a draft Consultation Paper on issued on 9 March 2020.

### [ESMA Chair Delivers Speech Outlining Diverging Paths for LIBOR and EURIBOR \(September 21, 2020\)](#)

The European Securities and Markets Authority (ESMA) Chair, Steven Maijor, delivered a keynote speech at City Week 2020 outlining diverging paths for LIBOR and EURIBOR. The speech confirmed there are no current plans to discontinue EURIBOR, but reiterated the regulatory requirement that EU supervised entities incorporate fallbacks into EURIBOR contracts.

## **GBP**

### [The BoE Signs up to ISDA's IBOR Fallbacks Protocol \(October 23, 2020\)](#)

The Bank of England (BoE) announced that it signed up to the ISDA Fallbacks Protocol after the Protocol was launched on 23 October 2020 (see update in global section).

### [UK Financial Services Bill Introduced Providing FCA Powers to Oversee an Orderly Transition Away from LIBOR \(October 21, 2020\)](#)

A Financial Services Bill was introduced to the UK Parliament that provides the Financial Conduct Authority (FCA) with powers to oversee an orderly transition away from the LIBOR benchmark. Further details are provided in a financial services bill [explanatory note](#) (page 39) and an HM Treasury [Policy Statement](#). Additionally, the FCA [published a statement](#) welcoming the bill.

### [BoE Financial Policy Summary and Record of the 30 September FPC Meeting Provides Updates on the LIBOR Transition \(October 8, 2020\)](#)

The Financial Policy Summary and Record of the Bank of England's (BoE) 30 September Financial Policy Committee (FPC) meeting included a section including two LIBOR Transition updates (page 13). The first update provided an overview of the latest news regarding the transition in the UK. The second update highlighted that the Financial Conduct Authority (FCA) plans to announce decisions on what would happen to the various LIBOR settings at the end of 2021 as soon as the final weeks of this year.

### [UK RFRWG Announces Support for the ISDA IBOR Fallbacks Protocol and Encourages Adherence \(October 9, 2020\)](#)

The Working Group on Sterling Risk-Free Reference Rates (UK RFRWG) welcomed the [announcement](#) by ISDA regarding the launch of the ISDA Fallbacks Protocol and IBOR Fallbacks Supplement. As part of their announcement, the UK RFRWG also urged for timely and widespread adherence to the Protocol.

### [UK RFRWG Releases Term SONIA Reference Rate Publication Summary \(October 2020\)](#)

The Working Group on Sterling Risk-Free Reference Rates (UK RFRWG) published a summary on the key attributes of Beta versions of Term SONIA Reference Rates (TSRRs) published by independent benchmark administrators. The aim of the paper is to help market participants and vendors stay informed and also help them consider whether any changes to their systems or products are needed if they choose to transition to TSRRs.

### [UK RFRWG Publishes Summary of Available Independent RFR Calculators \(September 2020\)](#)

The Working Group on Sterling Risk-Free Reference Rates (UK RFRWG) published a set of freely available independent risk-free rate (RFR) calculators. Since calculation of a compounded rate can be complex, these calculators were published to help market participants calculate and validate the amount of interest due under their agreements.

## **APAC**

### **HK**

### [HKMA Letter Requesting Authorized Institutions Take Early Action to Adhere to ISDA IBOR Fallbacks Protocol \(October 16, 2020\)](#)

The Hong Kong Monetary Authority (HKMA) issued a letter to authorized institutions requesting that they take early action to adhere to ISDA's IBOR Fallbacks Protocol. The launch date of the Protocol took place 23 October 2020 (see update in global section).

**[TMA WGARR Issues Statement on ISDA IBOR Fallbacks Supplement and Protocol \(October 12, 2020\)](#)**

The Hong Kong Treasury Markets Association Working Group on Alternative Reference Rates (TMA WGARR) issued an announcement welcoming ISDA's IBOR Fallbacks Supplement and IBOR Fallbacks Protocol. As part of the announcement, TMA WGARR also encouraged members to adhere to the Protocol and Supplement.

**JPY**

**[BoJ Financial System Report Provides Update on Interest Rate Benchmark Reform \(October 22, 2020\)](#)**

The Bank of Japan's (BoJ) October 2020 Financial System Report provided an update on interest rate benchmark reform in Japan (pages 68-69). Updates include efforts from the Cross-Industry Committee on Japanese Yen Interest Rate Benchmarks, BoJ, and Japanese Financial Services Agency (FSA).

**SGD**

**[SC-STS Announces Timelines to Cease Issuance of SOR-Linked Financial Products and Publishes Market Guidance to Support Transition to SORA \(October 27, 2020\)](#)**

The Steering Committee for SOR Transition to SORA (SC-STS) announced industry timelines to support a coordinated shift away from use of SOR in financial products and accelerate adoption of the use of SORA. The full text of the timelines can be found [here](#). Additionally, SC-STS published a set of market guides to help users prepare for the shift from SOR to SORA including a [report on customer segments and preferences](#), a [SORA market compendium](#), and an [end-user checklist](#).

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