



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.*

March-April 2021

GFMA, ASIFMA, AFME, SIFMA

[GFMA Publishes Updated IBOR Transition Reference Materials \(March 30, 2021\)](#)

To aid in the awareness of the IBOR transition processes impacting globally-active financial institutions, GFMA has created the following documents outlining the various parts and players. This version of the documents has been updated from its previous June 2020 [version](#) to provide the latest information regarding rates for major currencies including the Australian dollar, Canadian dollar, Euro, Hong Kong dollar, Japanese yen, Singapore dollar, Swiss franc, UK pound sterling and U.S. dollar. This information is organized into the enclosed four products:

- 1) Key Timelines and Milestones for the transition from IBORs to RFRs;
- 2) Reference links to public sector objectives & milestones for completing the transition in 2021;
- 3) Snapshot of the IBOR and RFR variables associated with each currency;
- 4) 'At a Glance' Tracker of each official sector WG activities and near-term expected actions.

[SIFMA Submits Testimony Expressing Support for Federal Legislation for Transitioning Away from LIBOR \(April 15, 2021\)](#)

SIFMA expressed its support for Federal legislation to assist with the transition from LIBOR in testimony submitted for the record in a hearing before the House Financial Services Committee Subcommittee on Investor Protection, Entrepreneurship, and Capital Markets. Further details on this hearing can be found in the US section of this newsletter. In addition to this testimony, SIFMA also [signed a joint trades letter](#) supporting Federal legislation.

[SIFMA Publishes Blog Post, Video, and Podcast on the Need for Federal Legislation in the Transition Away from LIBOR \(April 13, 2021\)](#)

As part of its Pennsylvania + Wall series, SIFMA published a blog on the need for Federal legislation to provide a smooth transition from LIBOR. The blog highlights that SIFMA strongly recommends that Congress enact legislation aligned with the ARRC's approach. In addition to the post, SIFMA also [published a short educational video](#) and a [podcast](#) highlighting the need for Federal legislation based on the ARRC's approach.

[SIFMA Publishes Statement Welcoming Passage of New York State LIBOR Legislation \(March 25, 2021\)](#)

Following the passage of LIBOR legislation by the New York State Legislature, SIFMA issued a statement from president and CEO Kenneth E. Bentsen, Jr. welcoming the passage and encouraging Congress to pass a similar federal law. Further details on the legislation can be found in the US section of this newsletter.

Global

[ISDA Issues Statement on Fallback Spreads following the FCA Announcement on the Cessation of LIBOR Settings \(March 5, 2021\)](#)

Following the FCA's [formal announcement](#) for the definitive cessation of LIBOR (see UK section), ISDA [issued a statement](#) indicating that the fallback spreads under the ISDA protocol will be fixed for all LIBOR settings on the basis of the Bloomberg spread adjustment for the date of the announcement.

[IBA Publishes Feedback Statement for the Consultation on its Intention to Cease the Publication of LIBOR Settings \(March 5, 2021\)](#)

Following the FCA's [formal announcement](#) for the definitive cessation of LIBOR (see UK section), the ICE Benchmark Administration (IBA) published the [feedback statement](#) for the consultation on its intention to cease the publication of LIBOR settings.

[Bloomberg Publishes Table Detailing ISDA Spread Adjustments \(March 5, 2021\)](#)

Following the FCA's [formal announcement](#) for the definitive cessation of LIBOR (see UK section) and [ISDA's statement](#) indicating fallback spreads under the ISDA protocol will be fixed on the basis of the Bloomberg spread adjustment for the date of the announcement (see above), Bloomberg published a [technical notice](#) detailing the related ISDA spread adjustments. The notice includes a table listing impacted IBOR fallback spread adjustments for the LIBOR settings and tenors in scope.

NORTH AMERICA

CAD

[Bank of Canada Begins Publishing the CORRA Compounded Index \(April 6, 2021\)](#)

The Bank of Canada, as administrator of the Canadian Overnight Repo Rate Average (CORRA), began publishing the CORRA Compounded Index effective 6 April 2021. It also began to publish the first quarterly summary of publication errors at the same time.

USD

[ARRC Announces Second SOFR Symposium Webinar \(April 28, 2021\)](#)

The Alternative Reference Rates Committee (ARRC) announced the second webinar in its SOFR Symposium series. The event will open with remarks from Federal Reserve Bank of New York (FRBNY) President John C. Williams and Bank of England (BoE) Governor Andrew Bailey. It will also feature a discussion focusing on SOFR, term rates, and loan market developments. Registration details can be found on the [event page](#). For further details regarding the first webinar in this series, please see the 22 March update below in this section.

[ARRC Publishes Updated FAQs \(April 27, 2021\)](#)

The Alternative Reference Rates Committee (ARRC) published the latest version of its FAQs regarding the transition from USD LIBOR to SOFR.

[ARRC Publishes Key Principles for a Forward-Looking SOFR Term Rate \(April 20, 2021\)](#)

The Alternative Reference Rates Committee (ARRC) published key principles for a forward-looking SOFR term rate. These principles will guide the ARRC's work as it considers the conditions necessary to recommend a forward-looking SOFR term rate. These principles follow up on the ARRC's 23 March announcement about the timing of any recommendation of term SOFR (see update from 23 March below).

[House Financial Services Committee Holds Hearing on the End of LIBOR \(April 15, 2021\)](#)

The House Financial Services Committee Subcommittee on Investor Protection, Entrepreneurship, and Capital Markets held a hearing titled "The End of LIBOR: Transitioning to an Alternative Interest Rate Calculation for Mortgages, Student Loans, Business Borrowing, and Other Financial Products." Testimony submitted by the [US Treasury](#), [Federal Reserve Board](#), [Office of the Comptroller of the Currency](#), and [Federal Housing Finance Agency](#) highlighted benefits of proposed Federal legislation to support the transition. Additionally, [SIFMA](#) [submitted testimony](#) expressing support for Federal legislation.

[NY State LIBOR Legislation is Signed into Law \(April 7, 2021\)](#)

New York State Governor Andrew Cuomo [signed](#) New York State LIBOR legislation into law on 7 April 2021. The legislation was [passed](#) by the New York State Legislature on 24 March 2021. The law is based on a [proposal developed](#) by the Alternative Reference Rates Committee (ARRC) and it intends to minimize legal uncertainty and adverse economic impacts for legacy LIBOR contracts. [SIFMA](#), as a member of the ARRC, helped develop this proposal and [issued a statement](#) supporting its passage. The ARRC also published statements welcoming both the [passing of the legislation](#) by the State Legislature and [signing into law](#) by the Governor.

[ARRC Releases Progress Report on Transition from USD LIBOR \(Last Updated March 31, 2021\)](#)

The Alternative Reference Rates Committee (ARRC) published the "Progress Report: The Transition from U.S. Dollar (USD) LIBOR." The report outlines key reference rate reform efforts, progress made to date, and where further work is required. The report was initially published 22 March and it was last updated 31 March.

[ARRC Publishes Approach to Using SOFR in New Issuances of Various Securitized Products \(March 29, 2021\)](#)

The Alternative Reference Rates Committee (ARRC) published a white paper outlining a model for using SOFR in asset-backed securities (ABS) products. In the paper, ABS products collectively represent non-CLO ABS, mortgage-backed securities, and commercial mortgage-backed securities products.

[ARRC Publishes Supplemental Recommendation of Hardwired Fallback Language for Business Loans \(March 25, 2021\)](#)

The Alternative Reference Rates Committee (ARRC) published supplemental versions of its recommendation of hardwired fallback language for USD LIBOR denominated bilateral business

loans. This recommendation simplifies and supplements the recommended fallback language for [syndicated business loans](#) from 30 June 2020 and recommended fallback language for [bilateral business loans](#) from 27 August 2020.

[ARRC Publishes White Paper on Suggested Fallback Formula for USD LIBOR ICE Swap Rate \(March 24, 2021\)](#)

The Alternative Reference Rates Committee (ARRC) published a white paper on a suggested formula to calculate a fallback for the USD LIBOR ICE Swap Rate. The formula was developed by the ARRC's Market Structure and Paced Transition Working Group and it looks to complement a [similar approach](#) designed for the GBP LIBOR ICE Swap Rate.

[ARRC Announces Update on Forward-Looking SOFR Term Rate \(March 23, 2021\)](#)

The Alternative Reference Rates Committee (ARRC) published an announcement providing an update on the status of a forward-looking SOFR term rate. The announcement noted that the ARRC will not be in a position to recommend a forward-looking SOFR term rate by mid-2021 and that it cannot commit to one being recommended by year-end.

[ARRC Hosts First SOFR Symposium \(March 22, 2021\)](#)

The Alternative Reference Rates Committee (ARRC) is hosting a series of webinars on "The SOFR Symposium: The Final Year." The first Symposium was held on 22 March 2021 and it focused on progress in transitioning away from LIBOR, as well as on areas where progress has been slower. The [agenda](#), [webcast recording](#), and [presentation materials](#) are available on the ARRC Event's [page](#). Additionally, a [transcript of the keynote speech](#) from Federal Reserve Vice Chair for Supervision and FSB Chair Randal K. Quarles is available.

[ARRC Announces Refinitiv as Publisher of its Spread Adjustment Rates for Cash Products \(March 17, 2021\)](#)

The Alternative Reference Rates Committee (ARRC) announced that it selected Refinitiv to publish its recommended spread adjustments and spread-adjusted rates for cash products. The announcement was made following a [request for proposal](#) (RFP) process.

[FHFA Publishes Update on Enterprise Transition from LIBOR to Alternative Index for Single-Family ARMs \(March 17, 2021\)](#)

The Federal Housing Finance Agency (FHFA) published an update on the progress of Fannie Mae and Freddie Mac (the GSEs) regarding the transition from LIBOR to an alternative index for single-family adjustable rate mortgages (ARMs).

[NYC Bar Association Issues Report Supporting NY State LIBOR Legislation \(March 15, 2021\)](#)

The NYC Bar Association issued a report supporting the NY State LIBOR Legislation. This legislation, which had been pursued by SIFMA, the Alternative Reference Rates Committee (ARRC), and others, was signed into law on 7 April (see 7 April update above).

[FHA Publishes Mortgagee Letter Removing LIBOR from the HECM Program \(March 11, 2021\)](#)

The Federal Housing Administration (FHA) published a Mortgagee Letter that removed the LIBOR Index approval for the Home Equity Conversion Mortgage (HECM) Program. The letter also approves use of the SOFR Index for the program.

[Federal Reserve Publishes Notice Regarding Examinations in Relation to LIBOR Transition \(March 9, 2021\)](#)

The Federal Reserve published a notice that was sent to examination staff regarding examinations in relation to a 30 November 2020 [interagency statement](#) on LIBOR transition. The note includes links to examiner guidance.

[ARRC Confirms Occurrence of a “Benchmark Transition Event” Under the ARRC Fallback Language \(March 8, 2021\)](#)

The Alternative Reference Rates Committee (ARRC) issued a statement confirming that a “Benchmark Transition Event” has occurred under ARRC Fallback Language. The announcements by the [Ice Benchmarks Administration](#) and [UK Financial Conduct Authority](#) on future cessation and loss of representatives for LIBOR (see Global and UK sections) constitute the “Benchmark Transition Event.”

[ARRC Publishes FAQs Regarding the Occurrence of a Benchmark Transition Event \(March 8, 2021\)](#)

The Alternative Reference Rates Committee (ARRC) published a set of FAQs clarifying the effects of the benchmark transition event caused by the 5 March 2021 IBA and FCA announcements (see above update).

[ARRC Publishes Statement Commending Decisions Outlining the Definitive Endgame for LIBOR \(March 5, 2021\)](#)

The Alternative Reference Rates Committee (ARRC) issued a statement commending announcements by LIBOR’s [regulator](#) (see FCA announcement under UK section) and [administrator](#) (see IBA announcement under Global section) regarding the precise end-date for LIBOR panel bank submissions. As part of the statement, the ARRC also [recognized ISDA’s announcement](#) for the setting of spread adjustments (see Global section).

[SEC Announces the LIBOR Transition as a 2021 Examination Priority \(March 3, 2021\)](#)

The Securities and Exchange Commission (SEC) Division of Examinations included the LIBOR transition as part of its examination priorities for 2021. As part of the announcement, the Division stated it “will continue to engage with registrants through examinations to assess their understanding of any exposure to LIBOR, their preparations for the expected discontinuation of LIBOR and the transition to an alternative reference rate, in connection with registrants’ own financial matters and those of their clients and customers.”

[ARRC Publishes Newsletter \(February 2021 – March 2021\)](#)

The Alternative Reference Rates Committee (ARRC) published its newsletter for February 2021 – March 2021. The newsletter provides an update from ARRC on global IBOR transition topics with an added focus on the US market. Previous versions of the Newsletter can be found on the ARRC [site](#).

EUROPE

CHF

[NWG Expert Opinion on the Use of Non-Cumulative Compounded SARON under Swiss Law \(April 1, 2021\)](#)

The National Working Group on Swiss Franc Reference Rates (NWG) published an expert opinion from Dr. Lukas Glanzmann on the use of “non-cumulative” compounded SARON under Swiss law. The sub-working group on syndicated loans shares the view from the paper that “non-cumulative” compounding is a viable option.

[EU Commission Consultation on the Designation of a Statutory Replacement for CHF LIBOR \(March 23, 2021\)](#)

The European Commission published a targeted consultation on the designation of a statutory replacement rate for CHF LIBOR. The consultation will run through 18 May 2021 and it aims to designate a replacement rate for CHF LIBOR in mortgages and small business loans under the EU BMR (update also included in EU section).

EU

[ECB Begins Publishing Compounded €STR Average \(April 15, 2021\)](#)

The European Central Bank (ECB) started publishing compounded euro short-term rate (€STR) average rates on 15 April 2021. The average rates cover 1-week, 1-month, 3-month, 6-month, and 12-month tenors.

[EU Commission Consultation on the Designation of a Statutory Replacement for CHF LIBOR \(March 23, 2021\)](#)

The European Commission published a targeted consultation on the designation of a statutory replacement rate for CHF LIBOR. The consultation will run through 18 May 2021 and it aims to designate a replacement rate for CHF LIBOR in mortgages and small business loans under the EU BMR (update also included in CHF section).

GBP

[The Working Group on Sterling Risk-Free Reference Rates \(UK RFR WG\) Released a New “Priorities and roadmap for transition by end 2021” \(April 2021\)](#)

The UK RFR WG recommended continuing to enable and promote widespread use of SONIA compounded in arrears throughout wholesale sterling markets. It also states once again the cessation process for the different GBP LIBOR-linked instruments.

[UK RFR WG Letter to HM Treasury on Safe Harbour Provisions to Support the Wind-Down of Critical Benchmarks \(April 21, 2021\)](#)

Tushar Morzaria, Chair of the UK RFR WG, authored a letter to HM Treasury seeking an update on whether the UK Government will introduce safe harbour provisions to support the wind-down of “tough legacy” contracts.

[UK RFR WG Statement on the Active Transition of Legacy GBP LIBOR Contracts \(April 2021\)](#)

The UK RFR WG published a statement setting out a range of considerations to help market participants, across GBP bond, loan, and derivative markets, assess and prioritise active transition of legacy GBP LIBOR contracts to SONIA.

[UK RFR WG Paper on the Transition from LIBOR in Sterling Structured Products \(April 2021\)](#)

The UK RFR WG published a paper considering how the sterling structured products market could be designed using SONIA compounded in arrears and how this market could support the transition of legacy structured products where GBP LIBOR is used.

[FCA and BoE Statement Encouraging Switch to SONIA in the Sterling Non-Linear Derivatives Market \(March 29, 2021\)](#)

The Financial Conduct Authority (FCA) and Bank of England (BoE) published a statement encouraging market participants to switch to SONIA in the sterling non-linear derivatives market from 11 May 2021.

[PRA and FCA “Dear CEO” Letter on LIBOR Transition \(March 26, 2021\)](#)

The Prudential Regulation Authority (PRA) and Financial Conduct Authority (FCA) published a Dear CEO letter highlighting their expectations of firms regarding transition now that the cessation dates for all panel bank LIBOR settings have been confirmed.

[FMSB Proposed Standard on Use of Term Sonia Reference Rates \(March 24, 2021\)](#)

The FICC Markets Standards Board (FMSB) published a proposed Standard on Use of Term SONIA Reference Rates. A consultation on the proposal will run until 28 May 2021. The UK RFR WG also [welcomed](#) the publication.

[BoE Market Notice on its Risk Management Approach to Collateral Referencing LIBOR for Use in the Sterling Monetary Framework \(March 24, 2021\)](#)

The Bank of England published a market notice on its risk management approach to collateral referencing LIBOR. The new approach imposes a haircut add-on to be applied to all LIBOR linked collateral. The haircut add-on will be 10 percentage points from 1 April 2021 and will increase throughout the year until 100 percentage points is reached on 31 December 2021.

[BoE and FCA Joint Letter to Trade Association Chairs and CEOs on how the LIBOR Transition may Impact Members and Stakeholders \(March 9, 2021\)](#)

The Bank of England (BoE) and Financial Conduct Authority (FCA) sent letters to trade association chairs and CEOs to highlight how the discontinuation of LIBOR may impact their members and stakeholders. The letter also provides details regarding upcoming key dates and next steps.

[FCA Announcement of dates that Panel Bank Submissions for all LIBOR Settings will cease \(March 5, 2021\)](#)

The FCA announced the dates that panel bank submissions for all LIBOR settings will cease. Nearly all settings are planned to cease after 31 December 2021 although publication of overnight and 12-month USD LIBOR settings are planned to cease after 30 June 2023. After these dates, the respective representative LIBOR rates will no longer be available. In parallel with the announcement, [ISDA formally announced](#) that the fallback spreads under the ISDA protocol will be fixed for all LIBOR settings on the Bloomberg spread adjustment published as of the date of the announcement and ICE Benchmark Administration (IBA) [published a feedback statement](#) following its consultation to cease publication of LIBOR settings (see global section for further ISDA and IBA details). Additionally, the FCA website was updated to reflect the update and related next steps (see below update).

[FCA Webpage: Latest Updates and Next Steps Relating to the Financial Services Bill \(March 5, 2021\)](#)

The UK Financial Conduct Authority updated its [webpage](#) on its new powers, policy, and decision-making on benchmark regulation under the Financial Services Bill. Updates include a consultation [feedback statement](#) and [statement on policy](#) relating to Article 23A, as well as a consultation [feedback statement](#) and [statement of policy](#) relating to Article 23D. Next steps announced include a consultation in Q2 2021 on the FCA's approach to exercising its powers under proposed Articles 21A and 23C, as well as a consultation in 2021 on the FCA's decision to exercise the power proposed in Article 23D with respect to LIBOR.

[UK RFR WG Summary of Responses to its Consultation on Successor Rate to GBP LIBOR in Legacy Bonds Referencing GBP LIBOR \(March 2021\)](#)

The consultation identified a large majority (22 out of 24 respondents) in favour of the selection of overnight SONIA. Moreover, a majority (17 out of 24 respondents) considered that details regarding further conventions to be used to accompany the successor rate, such as use of observation lag or shift, should be left to the issuer to agree on a case-by-case basis.

[UK RFR WG March Newsletter \(March 2021\)](#)

The UK RFR WG released its newsletter for March 2021. The newsletter provides an update from the Working Group regarding the RFR transition in the GBP market with a focus on market developments, official sector updates, key liquidity indicators, and key milestone dates. Previous editions of the Newsletter can be found on the Bank of England [site](#).

APAC

AUD

[Christopher Kent, Assistant Governor \(Financial Markets\) of the RBA Delivered Speech on the End of LIBOR and the Australian Market \(March 18, 2021\)](#)

Christopher Kent, Assistant Governor (Financial Markets) of the Reserve Bank of Australia (RBA), delivered a speech at the ISDA Benchmark Strategies Forum Asia Pacific on 18 March 2021. The speech focused on the end of LIBOR and the Australian Market.

HK

[HKMA Extends Timeline for the Cessation of New LIBOR-Linked Products \(March 25, 2021\)](#)

The Hong Kong Monetary Authority (HKMA) announced it has extended its timeline for the cessation of new LIBOR-linked products beyond June 2021. The announcement also advises that authorized institutions continue with preparations to cease issuing new LIBOR-linked contracts by the end of 2021.

[Edmund Lau, Senior Executive Director of the HKMA Delivered a Keynote Speech on the LIBOR Transition \(March 17, 2021\)](#)

Edmund Lau, Senior Executive Director of the Hong Kong Monetary Authority (HKMA), delivered a keynote speech at the ISDA Benchmark Strategies Forum Asia Pacific on 17 March 2021. The speech included remarks on the issues and challenges arising from the LIBOR transition.

JPY

[QBS Begins Calculating and Publishing Production Rates of TORF \(April 26, 2021\)](#)

QUICK Benchmarks Inc. (QBS) began publishing production rates for the Tokyo Term Risk Free Rate (TORF). The Cross-Industry Committee on JPY Interest Rates Benchmarks also [published a statement](#) regarding this announcement.

[Cross-Industry Committee on JPY Interest Rate Benchmarks Publishes Updated Roadmap to Prepare for the Discontinuation of JPY LIBOR \(April 16, 2021\)](#)

The Cross-Industry Committee on JPY Interest Rate Benchmarks published its updated "[Roadmap to Prepare for the Discontinuation of Japanese Yen LIBOR](#)." The roadmap is based on a [report](#) from the Sub-Group for the Development of Term Reference Rates 26 March 2021 meeting.

[JBA TIBOR Administration Announces Compliance with IOSCO Principles \(March 29, 2021\)](#)

The JBA TIBOR Administration published that it is in compliance with IOSCO's Principles for Financial Benchmarks. JBA TIBOR also announced it intends to consult on retaining JPY TIBOR and discontinuing Euroyen TIBOR.

[Cross-Industry Committee on JPY Interest Rate Benchmarks Publishes Preparations for the Discontinuation of LIBOR in the JPY Interest Rate Swaps Market \(March 26, 2021\)](#)

The Cross-Industry Committee on Japanese Yen Interest Rate Benchmark's published preparations for the discontinuation of LIBOR in the JPY interest rate swaps market. These preparations reflect the consensus of the Sub-Group for the Development of Term Rates.

[BoJ and FSA Publish Response to the IBA Announcement on the End Date of LIBOR Panel Publication and the Announcement on the Intention to Consult on the Publication of Synthetic Yen LIBOR \(March 8, 2021\)](#)

The Bank of Japan (BoJ) and Japanese Financial Services Agency (FSA) jointly responded to the announcement on the end date of LIBOR panel publication and the announcement on the intention to consult on the publication of synthetic yen LIBOR. The response highlights actions needed before the end of 2021 and recommends that synthetic yen LIBOR be considered as a potential "safety net" to only be used for tough legacy contracts. The Cross-Industry Committee

on Japanese Yen Interest Rate Benchmarks [published a response](#) commending the views expressed in the joint BoJ and FSA response.

SGD

[SC-STS Publishes New Timelines to Cease Issuance of SOR Derivatives and SIBOR-Linked Financial Products \(March 31, 2021\)](#)

The Steering Committee for SOR and SIBOR Transition to SORA (SC-STS) published a report announcing new industry timelines to cease issuance of SOR derivatives and SIBOR-linked financial products. The new timeline specifies milestones to be achieved by end September 2021. The full text of the report can be found [here](#).

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