



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.*

May 2021

NORTH AMERICA

USD

[ARRC Plans to Recommend CME Group as Administrator for the Forward-Looking SOFR Term Rate \(May 21, 2021\)](#)

The Alternative Reference Rates Committee announced that it plans to recommend CME Group as the administrator for the forward-looking SOFR term rate. The recommendation will be made once market indicators for the rate are met and when ARRC recommends a specific rate.

[ARRC Releases Guide to Published SOFR Averages \(May 11, 2021\)](#)

The Alternative Reference Rates Committee (ARRC) released a [Guide to Published SOFR Averages](#). The Guide was developed to provide nonfinancial corporates with key information on the LIBOR transition, including how SOFR averages can be used. The Guide was informed by a March 2021 survey from the ARRC's Nonfinancial Corporates Working Group.

[ARRC Hosts Second SOFR Symposium \(May 11, 2021\)](#)

The Alternative Reference Rates Committee (ARRC) is hosting a series of webinars on "The SOFR Symposium: The Final Year." The second Symposium was held on 11 May 2021 and it featured insights from the FSB Official Sector Steering Group (OSSG) Co-Chairs, Andrew Bailey and John Williams, as well as a roundtable on SOFR, term rates, and loan market development. A [recording of the event](#) is available to stream and the agenda is available [here](#). A [transcript of John Williams' remarks](#) are available and further details regarding Andrew Bailey's remarks can be found in the UK section below.

[ARRC Identifies Market Indicators to Consider in Recommending a Forward-Looking SOFR Term Rate \(May 6, 2021\)](#)

The Alternative Reference Rates Committee (ARRC) published a set of market indicators that it will consider in recommending a forward-looking SOFR term rate. The market indicators include a continued growth in overnight SOFR-linked derivatives volumes, visible progress to deepen SOFR derivatives consistent with ARRC best practices, and visible growth in offerings of cash products linked to averages of SOFR.

EUROPE

EU

[WG on EUR RFR Publishes Recommendations on EURIBOR Fallbacks \(May 11, 2021\)](#)

The private sector Working Group on Euro Risk-Free Rates (WG on EUR RFR) [published recommendations on EURIBOR fallbacks](#). These final recommendations considered feedback from [two market-wide consultations](#) on the draft recommendations from November 2020.

Secretariat of WG on EUR RFR to Transfer from ECB to ESMA (May 11, 2021)

As part of the [press release](#) regarding the publication of recommendations on EURIBOR fallbacks (see above update), the Working Group on Euro Risk-Free Rates (WG on EUR RFR) announced its secretariat will move from the European Central Bank (ECB) to the European Securities and Markets Authority (ESMA). A [new page on the ESMA site](#) has been developed for the WG and it will include all new WG publications and announcements.

GBP

[FCA Announces Consultation on Use of New Powers to Support Orderly Wind Down of Critical Benchmarks \(May 20, 2021\)](#)

The UK Financial Conduct Authority (FCA) announced the publication of a consultation on its proposed policy framework for exercising two of its new powers under the UK Benchmark Regulation (BMR). These powers will be introduced by the Financial Services Act 2021 and are intended to support the orderly wind down of critical benchmarks. The FCA has [published a consultation page](#) and the full consultation text is available [here](#).

[BOE Publishes Consultation Paper on the Proposal to Modify the Scope of Contracts Subject to the Derivatives Clearing Obligation \(May 20, 2021\)](#)

The Bank of England (BOE) intends to remove contracts that reference benchmarks that are being discontinued and replace them with Overnight Index Swaps (OIS), with the same range of maturities, which reference the replacement near risk-free reference rate (RFR) benchmark selected for each currency.

[UK RFR WG Recommends Overnight SONIA Compounded in Arrears as Successor Rate for Fallbacks in Bonds Referencing GBP LIBOR \(May 18, 2021\)](#)

The Working Group on Sterling Risk-Free Rates (UK RFRWG) published a statement announcing it recommends the use of overnight SONIA, compounded in arrears, as the successor rate for fallbacks in bond documentation referencing GBP LIBOR. The recommendation is in-line with the responses from a [Working Group consultation](#) on the subject.

[BOE and FCA Issue Statement Encouraging Market Participants to Switch to SONIA in Sterling Exchange Traded Derivatives Market from 17 June \(May 13, 2021\)](#)

The Bank of England (BOE) and Financial Conduct Authority (FCA) issued a joint statement encouraging market users and liquidity providers in the sterling exchange traded derivatives market to switch the market's default traded instrument to SONIA from LIBOR beginning 17

June. The statement follows close engagement with market participants and the switch should facilitate a further shift in SONIA market liquidity.

[BOE Governor Delivers Speech at ARRC's SOFR Symposium \(May 11, 2021\)](#)

Andrew Bailey, Governor of the Bank of England (BOE), delivered a speech at the [ARRC's SOFR Symposium](#). The speech focused on the move away from the use of LIBOR and noted that using robust overnight risk-free rates will help to create a more resilient and transparent financial system.

[HM Treasury Publishes Outcome of its Consultation Supporting the Wind-Down of Critical Benchmarks \(May 7, 2021\)](#)

HM Treasury released the outcome for its consultation on supporting the wind-down of critical benchmarks. The announcement noted that the government intends to bring forward further legislation to address the issues identified in the consultation. As part of the announcement, [HM Treasury also responded](#) to the Chair of the Working Group on Sterling Risk-Free Reference Rates (UK RFRWG).

[Financial Services Regulatory Initiatives Forum Includes LIBOR Transition as Key Initiative in the Regulatory Initiatives Grid \(May 7, 2021\)](#)

The Financial Services Regulatory Initiatives Forum published the third version of its Regulatory Initiatives Grid. The grid notes the LIBOR transition as a key initiative in the regulatory landscape and includes key background and milestone details. The full grid publication can be found [here](#).

[IBA Issues Consultation on the Potential Cessation of the ICE Swap Rate Based on GBP LIBOR \(May 2021\)](#)

The ICE Benchmark Administration (IBA) released a consultation on the potential cessation of the ICE Swap Rate, which is based on GBP LIBOR. The consultation addresses IBA's expectation that there will not be sufficient input data for the rate available after 31 December 2021. Feedback is requested by 4 June 2021. IBA also noted they expect to consult on the potential cessation of the USD LIBOR ICE Swap Rate.

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

The UK RFR WG released its newsletter for April 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](#).

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