



ICE BENCHMARK ADMINISTRATION

ICE SWAP RATE - FEEDBACK STATEMENT - ISR USD 4Y SPREADS

Introduction

ICE Benchmark Administration Limited (“IBA”) issued a paper on 31 August 2017 to:

- Propose a further enhancement to the ICE Swap Rate “ISR” methodology to increase the minimum number of snapshots for published ISR rates
- Announce that movement interpolation will be added to the methodology for ICE Swap Rate with effect from 2 November 2017. At the end of each quarter, IBA will publish on its website a report showing the number of times that movement interpolation was used in the calculation of ISR during that quarter
- Seek information about usage of the ISR benchmark rate USD Spreads 4Y tenor published at 11.00 am (EST). IBA asked for responses by 27 September 2017.

IBA received only one formal response to the further consultation, which was supportive of IBA’s proposals. Other, more informal, responses were also supportive.

Minimum number of snapshots

IBA will now proceed with enhancing the methodology to ensure that, after the various liquidity and crossed order book checks, there are at least 6 snapshots remaining.

As stated in the previous paper, this will ensure that each published tenor is based on data spanning at least one quarter of the snapshots. It is not anticipated that this enhancement will lead to a materially increased number of ‘No Publications’, particularly when movement interpolation is introduced.

The change to use at least 6 snapshots will be introduced with effect from 2 November 2017.

Usage of ISR USD 4Y Spreads (published at 1100 am EST)

The paper in August stated that, following discussions with the ICE Swap Rate Oversight Committee, IBA was minded to cease seeking to publish the USD Spreads 4Y. Before doing so, IBA invited any users to provide information on their use of the tenor and to comment on any impact there may be if the tenor were to be withdrawn.

No objection was raised to the cessation of Usage of ISR USD 4Y Spreads and accordingly the tenor will be discontinued, with no publication after Wednesday 1 November 2017.

Further information

Further information about IBA and ISR can be found at: <https://www.theice.com/iba/ice-swap-rate>.

Please address any queries to IBA@theice.com.
