

## **Working group for alternative interest rates, 03/12/2019**

### **Attendees**

Johan Bergström, Swedish National Debt Office  
Kåre Boström, LF-Bank  
Christer Frestadius, SBAB  
Magnus Karlsmyr, SHB  
Anders Kvist, Swedish Financial Supervisory Authority  
Carl Milton, Danske  
Björn Pantzar, SEB  
Christian Perers, Nordea  
Johan Stefenson, SwB  
Amelie Stierna, Swedish Central Bank  
Jonny Sylvén, Swedish Bankers' Association

### **1. Approval of agenda**

Agenda approved.

### **2. Approval of previous minutes**

Minutes of the previous meeting approved.

### **3. Conclusions from consultation 2**

The document containing conclusions from consultation 2 was discussed at the meeting. The plan is for this document to be published later this week.

### **4. Fixing process**

A draft framework has been developed for the fixing process. This framework follows the structure that has been used as a basis for discussing the fixing process since spring. Some of the outstanding issues relating to the design of this framework were discussed at this meeting but other issues will be discussed in the future with the aim of having the document ready for publication by the end of the year.

## **5. Naming issue**

The meeting discussed various aspects of the issue of what to call the new interest rate. There was discussion about whether there was any risk from the names of the interest rates being so similar, which is probably not the case. There was also discussion about whether it was a good idea to call the interest rate something that contained the concept of its term (Overnight), when the interest rate will generally be used for longer terms in different aggregated variants. As this is already so common among RFRs, it was not considered to be of any great importance.

## **6. Contact with others**

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## **7. Other business**

The Danish supervisory authority has issued two statements on the transition to a new RFR and the risks involved. It has now been made public that a currency swap in EUR/USD has taken place that only has references to an RFR (€STR/SOFR). The deal was concluded between Goldman and Morgan Stanley. This can be seen as the beginning of a transition to RFRs in relation to currency swaps, which AGAR has said will be one of the channels for spreading RFRs. The Swedish Central Bank Inquiry contains statements that will establish stronger and more explicit legal support for the Swedish Central Bank to administer a new reference rate.

## **8. Next meeting**

The next meeting will be held at 2 pm on 10 December at the Swedish Bankers' Association.