



EUROPEAN CENTRAL BANK

EUROSYSTEM

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Changes to the ECB Reference Rates – Assessment of implementation

Frankfurt am Main, 23 November 2016

DISCLAIMER: the views expressed in the survey are anonymised.

1. Key changes to the ECB's Reference Rates

1. Information-only purpose
2. Publication delayed to 16:00 CET
3. Implementation date on 1 July 2016
4. Enhanced transparency

[Link to press release](#)

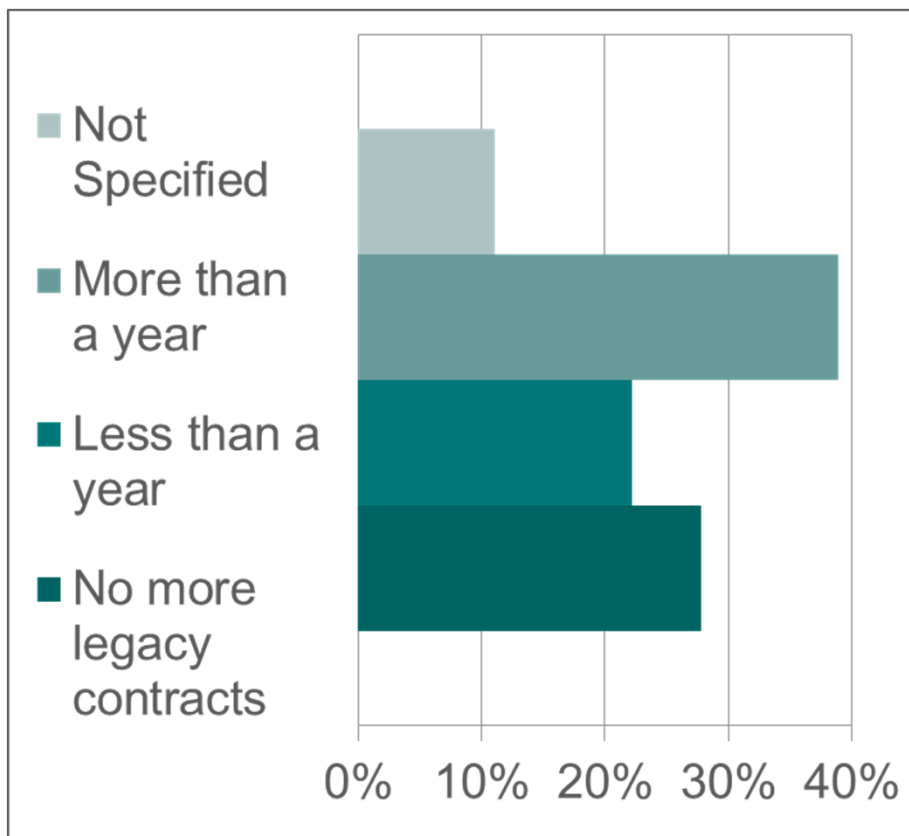
2. Assessment of the changes against their objectives

Assessment: objectives have been achieved based on the following

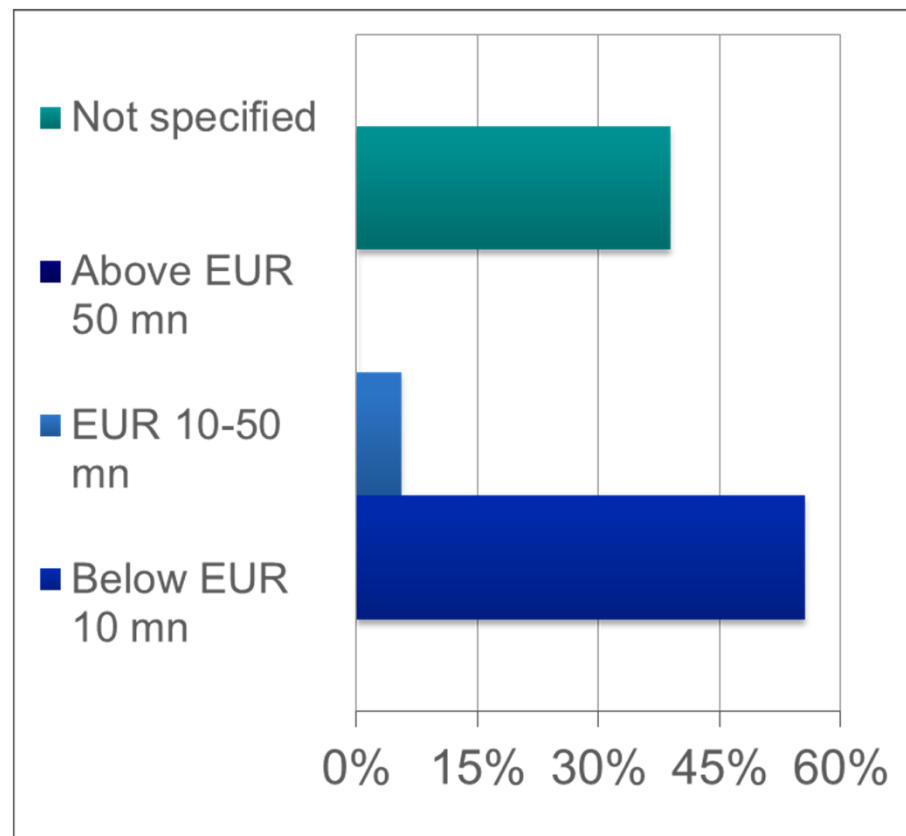
1. Complete awareness as a result of extensive communication with clients
2. Market participants ceased offering execution at ECB reference rates
3. Migration to suitable alternatives completed as market based benchmarks became available and sufficient notice period was provided
4. Legacy contracts are limited and gradually phased out
5. Normalisation of trading activity at 14:15 CET

3. Assessment is supported by the following findings

Most existing legacy contracts are longer than one year

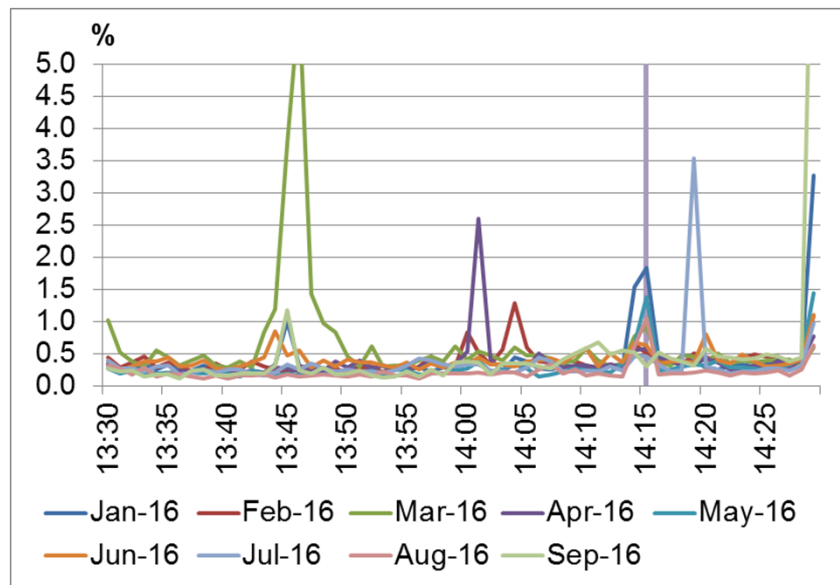


Relatively low trading volume from legacy contracts



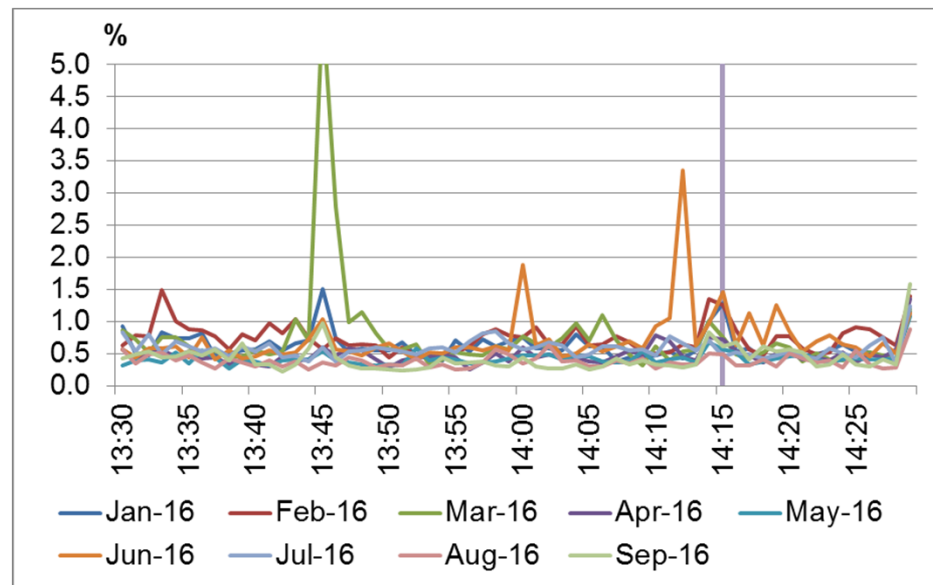
3. Assessment is supported by the following findings

EUR/USD exchange rate volatility has declined for the last few months



Source: Bloomberg.

EUR/GBP volatility has not reflected elevated trading activity at 14:15



Source: Bloomberg.

4. Conclusion and issues for discussion

- **Volatility and trading volumes have declined around 14:15 CET**
- **ECB will continue monitoring market participants' activity**