



European Money Markets Institute

# State of play of the interest rate benchmarks

3<sup>rd</sup> Conference CNMV | 15 June 2021

**“Euribor, a sustainable and reliable reference for over 20 years”**

**Jean-Louis Schirmann**

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CEO of The European Money Markets Institute

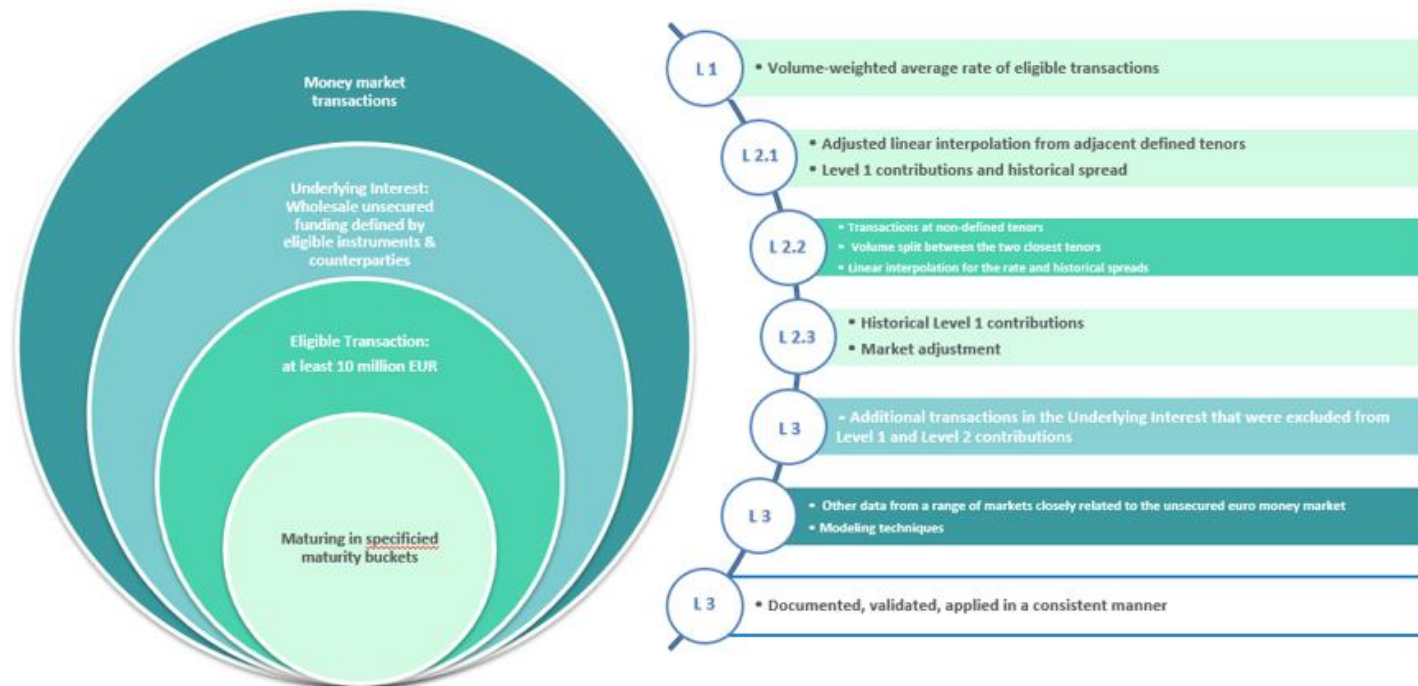
- Reforms of Euribor
  - Governance
  - Methodology
  - BMR authorisation since July 2019
- Euribor during the covid-19 pandemic in 2020
- Euribor's future

- Solid Governance Framework
  - Governance Code of Conduct
  - Code of Obligations of the Panel Banks
  - Code of Obligations of the Calculation Agent
  - Policies and Procedures

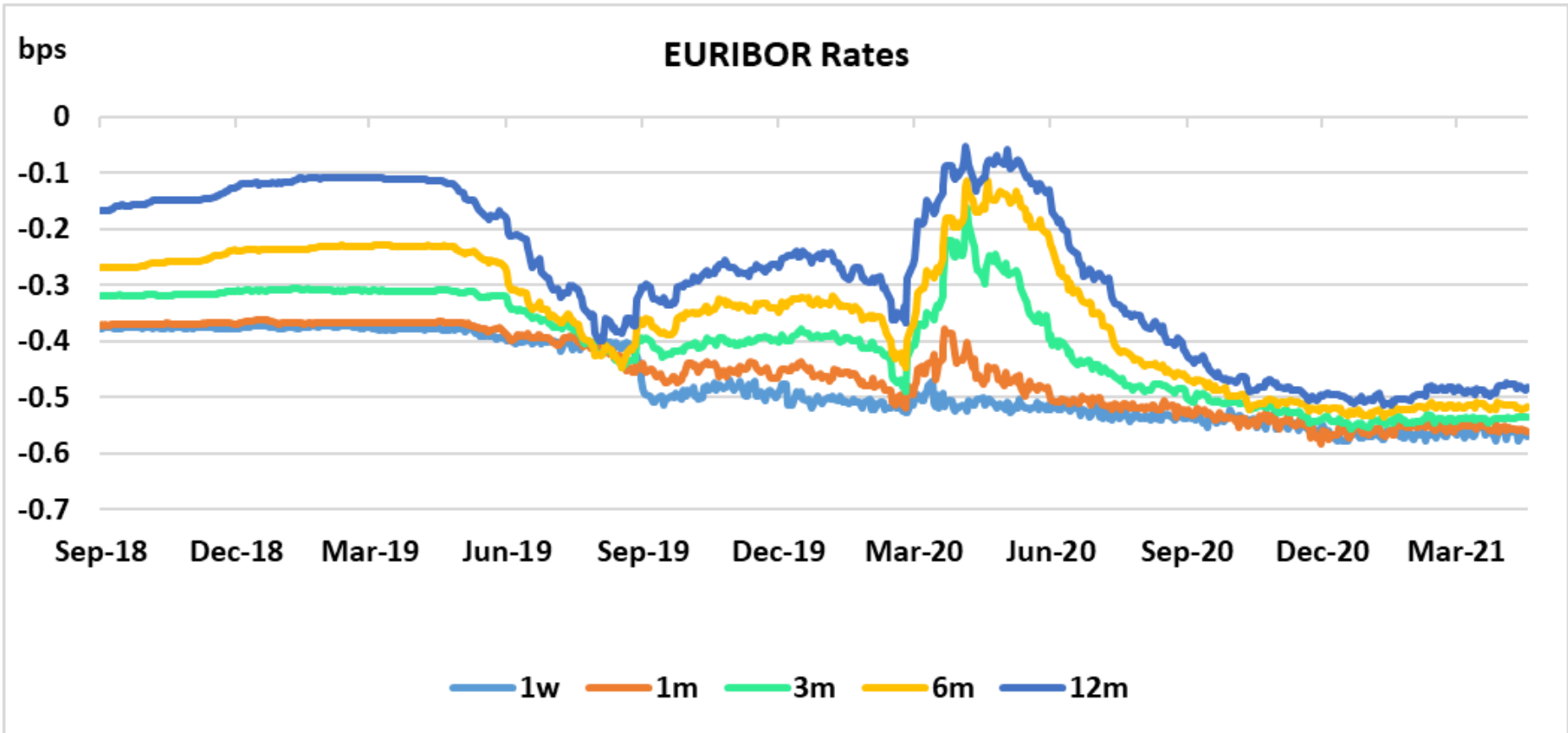
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- Independent Oversight Committee of market experts

*Increased transparency and integrity of the benchmark*

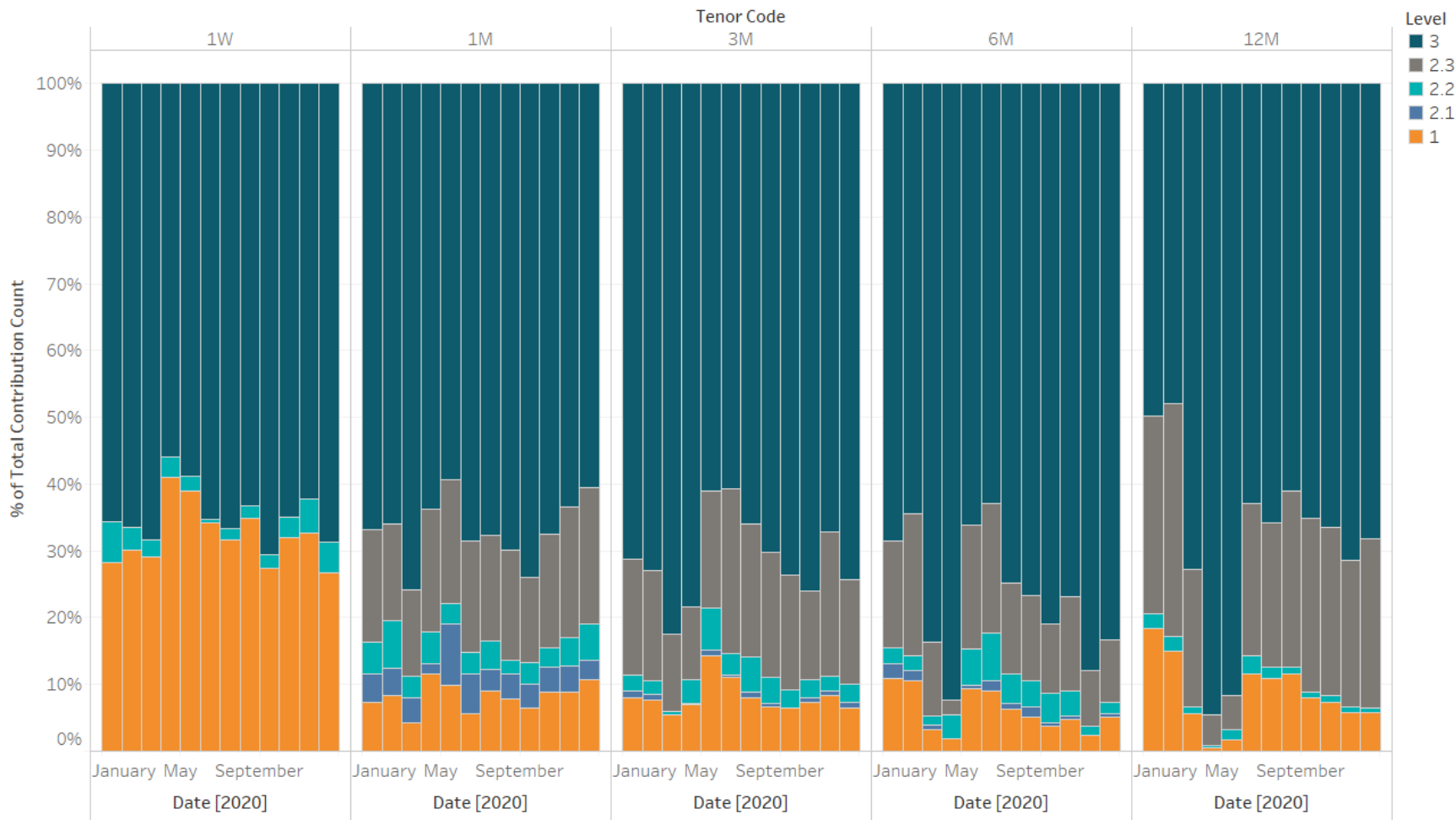
- Hybrid methodology measures the underlying market in a fully BMR-compliant way



*Increased resilience, robustness, and representativeness*



*Euribor has been able to navigate the turbulent waters of 2020*



*The hybrid methodology has proven appropriate, robust, and effective*

- First annual review of Euribor’s methodology in 2020
  - Four beneficial recalibrations since April 2021
  - Robustness improved
  - Resistance to undue influence enhanced
  - Decrease of share Level 3 submissions
  - Better responsiveness to market events
  
- Fallbacks to Euribor
  - What?
  - Why?
  
- Development of €STR-based Term Structure