Update from WM/R Company

Global Foreign Exchange Committee (GFXC)
Sydney, December 2019
Overview

WM/R Spot Benchmarks
• 155 currencies (25 trade currencies, 130 non-trade currencies)
• Operational from Monday 06:00 HK until Friday 17:00 NY
• Hourly service for 155 currencies, including 4pm ‘closing’ rate
• 30 minute service for 25 currencies
• 24 currencies at 09:55 Tokyo time

WM/R Forwards Benchmarks
• 80 forward rates and 11 non-deliverable forward rates (all non-trade)
• Hourly service for 91 currencies, including 4pm ‘closing’ rate
• Up to 11 tenors depending on the liquidity of the pair (O/N–5Y)
### Enhancements from 2014 to 2019

<table>
<thead>
<tr>
<th>Methodology &amp; Commercial Packaging</th>
<th>Regulation</th>
<th>User Group</th>
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<tbody>
<tr>
<td>• <strong>Calculation window</strong>: extended to 5 minutes</td>
<td>• <strong>IOSCO compliant</strong> since 2014. Re-assessed by IOSCO in 2016</td>
<td>• <strong>Global user group</strong> created 2015, with approximately 14 members</td>
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<td>• <strong>Greater diversity of data sources</strong>: Matching and EBS data incorporated for additional currencies</td>
<td>• <strong>FCA regulated in 2015</strong></td>
<td>• Generally <strong>reactive engagement</strong></td>
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<td>• <strong>Transition from indicative to tradable data sources</strong>: platform data now used for CNY, THB &amp; INR</td>
<td>• <strong>WMR 4pm Spots EU BMR compliant in 2018</strong></td>
<td>• <strong>Topics covered</strong>: regulations, methodology, market changes, new product requirements</td>
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<td>• <strong>New commercial offerings</strong>: special ‘services’ created as accessible replacements for ECB and Bank of Canada benchmarks</td>
<td>• <strong>Intraday Spots, Forwards and NDFs to be compliant with EU BMR by end 2019</strong></td>
<td>• 2018 restructuring to <strong>regional user groups</strong></td>
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<td>• <strong>Monitoring and Surveillance program developed</strong></td>
<td>• <strong>2019</strong>: APAC up and running, EMEA and Americas to be set up</td>
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<td>• <strong>Independent Oversight Committee established</strong></td>
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**User Group**

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- Generally **reactive engagement**
- **Topics covered**: regulations, methodology, market changes, new product requirements
- 2018 restructuring to **regional user groups**
- **2019**: APAC up and running, EMEA and Americas to be set up
Roadmap

Forwards/NDFs: 2020 Focus
- Consider incorporation of trade data into calculation
- Consider increased decimal places for published benchmark rates
- Consider additional forward tenors for liquid currencies
- Review contribution options, and better understand industry evolution

Spots: Business as Usual
- Continue to maintain watch on contributions quality by currency, contributing platforms, etc