

ICE Benchmark Administration Limited (“IBA”)
Redacted Minutes



Meeting: LIBOR Oversight Committee (the “Committee”)

Date: 27th July 2016, 15:00 - 17:00

Location: IBA Offices, Boardroom

Attendees:

Mary Miller, IBA INED (Chairwoman)

David Bowman, FRB (Observer) (T)

Clare Dawson, LMA

George Handjinicolaou, ISDA

Brad Hurrell, Barclays (T)

Matthias Jüttner, Swiss National Bank (Observer)

Deborah Land, IBA (Secretary)

David Clark, WMBA

John Grout, Independent

John Harding, ICE

Finbarr Hutcheson, IBA

Kevin Ludwick, The Bank of Tokyo-Mitsubishi
UFJ, Ltd.

Rod Paris, IBA INED (T)

Silvio Schumacher, Swiss National Bank (Observer)

Robert Thurlow, Mizuho (T)

Will Parry, Bank of England (Observer)

Frederick Sturm, CME

Emma Vick, IBA

Apologies:

Richard Kennedy, UBS

In attendance from IBA:

Amanda Adams

Lucy Jeffs

Carolyn Van den Daelen

Andrew Hill

Stelios Tselikas

Circulation:

IBA Website

Agenda Items/Questions Raised

The Chairwoman welcomed all members to the Committee. The Chairwoman ran through the meeting agenda, highlighting the open issues for discussion and mapped out a time frame for each subject to give a sense of importance to each topic.

The Committee was notified that Guy Sears would be resigning from his position of Committee Member with immediate effect.

1. Apologies for absence

2. Disclosure – conflict of interest

The Chairwoman asked the members of the Committee if they had any new conflicts of interest to declare. There were none.

3. Approval of Minutes from 19th May 2016

Following some minor drafting changes the minutes were approved.

4. Dashboards

The Committee were walked through the dashboard for May, which showed alerts mainly driven by macroeconomic figures and interest rates expectations. Alerts in May were average and there was no significant volatility.

The Committee were walked through the dashboard for June, which showed significantly higher alerts due to macroeconomic figures (e.g. Non Farm Payrolls) and interest rate expectations around the FOMC meeting. Brexit was the main market event.

A Committee Member asked if IBA had encountered any issues around Brexit. IBA said that there were no issues publishing LIBOR.

Following a suggestion from the Committee at a previous meeting, they were walked through a historic dashboard for July 2015 – July 2016, which showed changes in the rates across currencies and tenors. The ECB rate cuts, the Federal Reserve rate hike, the Bank of Japan introduction of negative interest rates, Brexit and the forthcoming Money Market Reform were some of the major events that were noted during that period.

5. Discussion Topics

Evolution Phase 1

- **Status Update**

The Committee were notified that IBA were waiting for approval of the Code of Conduct back from the FCA, once approved this will start the transition window with completion anticipated by the end of 2016.

- **Exceptional Market Events**

Discussion was had around the timing of an exceptional market event being declared.

The Committee also discussed how quickly IBA would respond to incoming calls and making a decision on how to proceed, what an exceptional market event would look like, what level of guidance could be given to the banks and what kind of data could be provided by banks given an EME.

The Chairwoman summarised that the Committee agreed that a definition of an EME was needed.

- **Error policy for Phase 1 of the Evolution of LIBOR**

Discussion was had around drafting and clarity of the Error Policy with several changes suggested and adopted.

Evolution Phase 2

- **Feasibility study findings**

IBA showed the Committee the results of their testing and outlined the process and timetable.

- **IOSCO Principles – Addressing IOSCO's recommendations**

An IOSCO Compliance Working Group was set up.

6. LIBOR Oversight Committee Review

The Chairwoman gave the Committee an overview of items raised by Committee members during her one to one calls.

The Chairwoman asked Committee Members if they thought an executive session should be allowed on each agenda without any IBA staff being present.

It was agreed that this would be put in place for future meetings.

7. Information Items

- **Standing item – incidents if any**

There were none.

- **Standing items – Quarterly Statistics**

Nothing to report at this time.

- **FSB Press Release on 19th July and the LIBOR section of their report**

This press release was noted by the Committee.

8. Proposed time and date of next meeting

20th September, 15:00 – 17:00 BST

9. AOB

There being no further business the meeting was closed.