Press release

Brussels, 13 June 2022

Publication of Beta EFTERM® Rates and consultation on fallback rates methodology

The European Money Markets Institute (EMMI) has today started to publish a beta version of its first EURIBOR fallback rate. This rate, **EFTERM® (Euro Forward Looking Term Rate)**, is a forward-looking term rate, based on available market data on Overnight Indexed Swaps that reference the European Central Bank's Euro Short Term Rate (€STR). EFTERM® is designed to measure the average expected €STR rates over the standard EURIBOR® tenors 1 week, 1 month, 3 months, 6 months and 12 months. Once live, EFTERM® will help EURIBOR® users to comply with their obligations under the EU Benchmarks Regulation, which requires supervised entities to nominate an alternative benchmark, where feasible and appropriate, for the event the benchmark they use materially changes or ceases to exist. The Euro Risk Free Rates Working Group has recommended a forward-looking term rate as a fallback for EURIBOR® for certain asset classes. Going forward, EMMI will assess the development of additional fallback rates to address further recommendations by the Working Group and to facilitate regulatory compliance for its EURIBOR® users.

The European Money Markets Institute has appointed ICE Benchmark Administration Limited as the calculation agent for EFTERM®. For the calculation of EFTERM®, it applies a waterfall methodology, which currently uses dealer-to-client bid and offer prices and volumes obtained from Tradeweb's global institutional trading platform or end-of-day settlement prices for ICE® 1 month €STR futures contracts. Tradeable bid and offer prices and volumes from regulated, electronic trading venues will also be used in the waterfall when available. The European Money Markets Institute publishes sample calculations (Beta EFTERM® Rates) on its website for an initial testing period. The sample file will be updated every Monday with the daily calculations from the previous week.

The Beta EFTERM® Rates are for information and illustration purposes only. They should facilitate EURIBOR® users to evaluate the suitability of the Beta EFTERM® Rates as a fallback in their own use cases. The European Money Markets Institute will launch a public consultation in due course to collect such feedback.

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Under no circumstances should the Beta EFTERM® Rates be used as a reference in a financial instrument or financial contract. It should not determine the amount payable under a financial instrument or financial contract and it should not measure the performance of an investment fund.

Link to the Beta EFTERM® Rates webpage:

www.emmi-benchmarks.eu/benchmarks/FallbackRates/BetaEfterm/

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About The European Money Markets Institute

Based in Brussels, The European Money Markets Institute (EMMI) is a non-for-profit association founded in 1999 by the national banking associations of the Member States of the European Union, along with the introduction of the euro.

The European Money Markets Institute is an Authorised Administrator under the Benchmarks Regulation of the European Union (BMR). As such, we develop and administer Euribor®, a robust critical benchmark. We work continuously to reinforce transparency and enhance the governance framework of our benchmarks, in order to preserve their high quality and integrity. Emmi is supervised by the European Securities and Markets Authority (ESMA).

EURIBOR® is the unsecured money market reference rate for the euro. The benchmark was declared a critical benchmark by the European Commission in 2016 because of its systemic importance for financial stability.

The European Money Markets Institute also explores new initiatives to answer market needs, always in compliance with the current regulatory context and market recommendations.

www.emmi-benchmarks.eu

About ICE Benchmark Administration

ICE Benchmark Administration (IBA) is authorized and regulated by the UK Financial Conduct Authority for the regulated activity of administering a benchmark, and is authorized as a benchmark administrator under the UK Benchmarks Regulation. ICE Benchmark Administration is a trademark of IBA and/or its affiliates.

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IBA was founded to reform and bring transparency to global benchmarks. It aims to adopt the highest standards for the benchmarks that it administers.

As a subsidiary of Intercontinental Exchange, Inc., IBA is one of the world's most experienced administrators for regulated benchmarks.

About Intercontinental Exchange

[Intercontinental Exchange, Inc.](#) (NYSE: ICE) is a Fortune 500 company that designs, builds and operates digital networks to connect people to opportunity. We provide financial technology and data services across major asset classes that offer our customers access to mission-critical workflow tools that increase transparency and operational efficiencies. We operate [exchanges](#), including the [New York Stock Exchange](#), and [clearing houses](#) that help people invest, raise capital and manage risk across multiple asset classes. Our comprehensive fixed income [data services](#) and execution capabilities provide information, analytics and platforms that help our customers capitalize on opportunities and operate more efficiently. At [ICE Mortgage Technology](#), we are transforming and digitizing the U.S. residential mortgage process, from consumer engagement through loan registration. Together, we transform, streamline and automate industries to connect our customers to opportunity.

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