

GM/LK
D1304B-2012
26.07.2012

**35th MEETING OF THE EURIBOR STEERING COMMITTEE
- Paris, 14 June 2012, 10.00 to 15.00 CET –**

Location: Crédit Agricole CIB; 9 Quai du Président Paul Doumer – 92920 Paris La Défense

Minutes

Welcome

The Chairman, Mr G. RAVOET, welcomed the participants and thanked Mr A. SEIGNAT and Crédit Agricole for hosting the meeting.

The list of participants is hereby attached.

1. MINUTES OF THE PREVIOUS MEETING

The revised minutes of the previous meeting were unanimously approved by the Members.

2. LEVEL AND USE OF EURIBOR/EONIA

The Members discussed the evolution of Euribor and Eonia rates in light of the current market conditions. They agree that Euribor rates were stable, at low levels, but were likely to further decline on the short term.

They added that, following ECB's intervention (LTROs), the Euribor fixing was little volatile and few impacted by the market environment. They also expected ECB to launch another LTRO, which would lead again to an excess of liquidity.

The members did not expect much change until decisions would be taken at political level in order to solve the sovereign debt crisis and its impact on banks. Mr G. RAVOET underlined that European solidarity was necessary, with a strong central government.

3. EURIBOR/EONIA PANEL

The Members had no specific comment on the composition of the panel.

They unanimously approved the inclusion of Deka Bank and ABN Amro in the Euribor/Eonia panel.

4. COMPLIANCE OF PANEL BANKS WITH THEIR OBLIGATIONS

Ms G. MARQUES made a presentation on panel banks' contributions to the fixing since January 2012, in particular the eliminated high and low contributions (top and bottom 15%), and the banks which had not contributed on a regular basis.

She underlined that the quantitative level of contributions had substantially improved, showing that the introduction of the statistical reports two years before and the subsequent actions towards specific panel banks with a view to further enhance the monitoring of panel banks had bared fruits.

The Members agreed on the importance of operating with the best governance in the current market and regulatory environment.

5. USD EURIBOR

a. Level and use of the fixing

The Members discussed the level and use of the USD Euribor since its launch in April 2012.

The Members commented that the fixing was relatively volatile, reflecting the market conditions for the banks participating in the panel.

Mr G. RAVOET informed the Members that Bloomberg had started using the new fixing in its reports, which was considered as a positive step for the fixing development and its visibility on the market.

b. Panel Composition

The Members reviewed the current composition of the panel (20 banks). They agreed that the panel should be enlarged in order to further enhance the representativity of the panel.

Mr A. COVIN commented that a good balance was to be found between European and international banks. Mr A. BIEWALD underlined the importance of keeping an international fixing.

It was agreed that the USD Euribor Task Force should continue working on the enlargement of the panel.

c. Compliance of panel banks with their obligations

Ms G. MARQUES presented statistics on panel banks' contributions (top and bottom contributions and quantitative level of contributions).

She informed the Members that panel banks were contributing on a regular basis and that there was no specific contribution issue to report.

d. Code of Conduct

The Members agreed to adapt the USD Euribor Code of Conduct following the review of the Euribor Code of Conduct, in order to preserve the coherence in the fixings' governance. The main change was the introduction of suspension rules for panel banks in articles 6 and 7 of the USD Euribor Code of Conduct. The revised version of the Code was approved.

Additionally, the Members commented that the USD Euribor fixing calendar should be reviewed in the future. They agreed that it was too soon to already change it and decided to postpone the discussion to the next meeting.

6. EURIBOR GOVERNANCE

The revised version of the Euribor and Eonia respective Codes of Conduct were approved at the previous meeting. Mr G. RAVOET informed the Members that it would be submitted for approval to the Euribor-EBF General Assembly at its meeting of 29 June and, in parallel, to the General Assembly of Euribor-ACI.

The Members also discussed the fixing governance. They agreed that it would not be the right moment to change the definition, but asked the Secretariat to check the legal implications of a definition change to the existing contracts.

Regarding panel banks' monitoring, they discussed the possibility to require panel banks to send an annual certification form to Euribor-EBF, similar to the Eonia Certification Management Form. The Secretariat was requested to submit a draft certification form at the next meeting.

7. ANY OTHER BUSINESS

Mr G. RAVOET informed the Members that, following their decision at the *ad-hoc* conference call of 5 April to publish historical individual panel banks' contributions, Thomson Reuters had developed a control application in order to perform a quality check of all files since 1999. They expected the whole range of data to be ready for publication at the end of August.

Separately, Mr C. QUÉMÉNER informed the Members that the Euribor-EBF real-time fixings fee-liable system would be implemented in September, with an end-user fee and an enterprise license available for large institutions.



Finally, Mr C. QUÉMÉNER presented an update on the project for an effective repo fixing (REONIA). He explained that the new fixing would be an average of all repo volumes traded by European central counterparty clearing houses (CCPs), irrespective of the collateral type. He added that the next step of the project would be to convince the CCPs to participate in this new fixing.

8. DATE AND PLACE OF NEXT MEETING

It was agreed that the next meeting would be hosted by CECA in Madrid in November 2012. The date was still to be confirmed.

Enclosure: D1036B-2012



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- Paris, 14 June 2012, 10.00 CET -**

LIST OF PARTICIPANTS

Members

Mr Guido RAVOET	Euribor-EBF Chief Executive
Ms Muriel BESCOND	Société Générale
Mr Andreas BIEWALD	Commerzbank AG
Ms Zinia CHATZIMPEI	National Bank of Greece
Mr Alberto COVIN	UniCredit Group
Ms Jillian MAHON	Allied Irish Banks
Mr Alexandre SEIGNAT	Crédit Agricole SA
Ms Jaana SULIN	Nordea Bank Finland Plc
Mr Antonio TORRALBA	BBVA
Mr José María VERDUGO	Confederación Española de Cajas de Ahorros

Euribor-EBF

Mr Cédric QUÉMÉNER
Ms Gaëlle MARQUES

Apologies

Mr Georg-Heinrich SIEVEKING Investitionsbank Berlin