

Working Group on Euro Risk-Free Rates: Comparative Table of Available Term €STR Rates

Aim of this Document

The focus of this document is to inform market participants about the €STR-based forward-looking term structure (**Term €STR**) rates which are or may become available and is purely an overview of key features. This document aims to cover:

- Current availability of Term €STR rates (including in prototype format).
- High level features of Term €STR rates.
- Helpful links to sites to enable market participants to access information and undertake their own analysis and determinations.

The document will be updated in case additional Term €STR rates will be provided by benchmark administrators.

Please email any comments / feedback you may have to the Secretariat of the Working Group on Euro Risk-Free Rates (the Working Group) (EuroRFR@esma.europa.eu), who will aggregate the feedback to support any further refinement of this document.

Background (Timeline)

- In July 2019, the Working Group published a [Call for expression of interest](#) addressed to benchmark administrators interested in providing a Term €STR rate to be used as a fallback in EURIBOR-linked contracts.

- In October 2019, the benchmark administrators which replied to the July 2019 Call for expression of interest presented their plan for the development of Term €STR rates to the Working Group. These administrators were: EMMI, FTSE Russell, IBA and Refinitiv. Their presentations were published on the webpage of the Working Group ([EMMI](#), [FTSE Russell](#), [IBA](#), [Refinitiv](#)).
- In February 2021, these administrators were invited by the Secretariat of the Working Group to present an update on their proposed approach towards developing Term €STR rates. Only two administrators continued with their Term €STR projects: EMMI (together with IBA), and Refinitiv. Their presentations were published by the Secretariat of the Working Group ([EMMI/IBA](#), [Refinitiv](#)).
- In May 2021, the [Recommendations](#) on EURIBOR fallback trigger events and €STR-based EURIBOR fallback rates were published by the Working Group and included Term €STR rate as a recommended EURIBOR fallback rate for some asset classes (see the Appendix to the May 2021 [Recommendations](#) for the summary of recommended €STR-based term structure methodology per use case).
- In March 2022, the Working Group published a new [Call for expression of interest](#) for administrators interested in developing Term €STR rates as a fallback in EURIBOR-linked contracts. Two administrators replied to that renewed call for interest, EMMI (together with IBA) and Refinitiv. In June 2022, the two benchmark administrators presented an update on their development of Term €STR rates to the Working Group. Their presentations were published on the webpage of the Working Group (see Annex I and Annex II to the [minutes](#) of the June 2022 meeting of the Working Group).

Comparative Table of Available Term €STR Rates (*May 2023*)

The below table includes the key attributes of the Term €STR rates provided by the benchmark administrators as of the date of this publication (including when available in a prototype format).

Criteria	The European Money Markets Institute (EMMI)	Refinitiv
First Publication date	14 November 2022 (live)	26 October 2022 (beta)
Published Tenors	1-week, 1-month, 3-month, 6-month and 12-month tenors	1-week, 1-month, 3-month, 6-month and 12-month tenors
Publication Frequency & Time	Each TARGET2 business day at approximately 11:15 am (CET)	Each TARGET2 business day at approximately 11:30 (CET)
Publication History since	14 November 2022 (live) 01 June 2022 (beta)	20 September 2022 (beta)
Methodology	3-level waterfall	2-level waterfall including an Integrated Fallback
Input Data	<p>Level 1: €STR-based Overnight Index Swaps (“OIS”) tradeable bid and offer prices and volumes collected for the Defined Tenors as available on the central limit order books (“CLOB”) of selected electronic trading venue(s)</p> <p>Level 2: €STR-based OIS dealer-to-client bid and offer prices and volumes collected for the Defined Tenors as displayed by selected electronic trading venue(s)</p> <p>Level 3: €STR-linked futures' settlement prices and historical euro short-term rates (€STR)</p>	<p>Level 1: Every 10 minutes between 09:00 and 16:00CET, quotes from Tradeweb, a dealer-to-client trading platform, are captured. In order to be valid, each bid rate to offer rate must be less than or equal to a maximum spread that is specified for each tenor, and the volume on the bid and offer rate must be greater than or equal to a minimum notional amount. A mid-rate is calculated using each valid bid rate and offer rate pair. The published rate is then determined as the median of the mid-rates. If there is insufficient data available, the Integrated Fallback is adopted.</p> <p>Integrated Fallback: The spread between the published rate on the previous TARGET2 business day and overnight €STR compounded to the previous TARGET2 business day is applied to €STR compounded to the day of the rate determination.</p>
Website - methodology details	https://www.emmi-benchmarks.eu/globalassets/documents/pdf/efterm/d0354a-2022-benchmark-determination-methodology-for-efterm.pdf	https://www.refinitiv.com/content/dam/marketing/en_us/documents/methodology/refinitiv-term-estr-prototype-methodology.pdf
Website – Benchmark statement details	https://www.emmi-benchmarks.eu/globalassets/documents/pdf/efterm/d0397-2022---eafterm-benchmark-statement.pdf	NA
Website - other details	https://www.emmi-benchmarks.eu/benchmarks/efterm/	https://www.refinitiv.com/termestr
Licencing requirements	Yes - Rates will be made available to all subscribers of the EMMI Data Package via authorised data vendors	Use is subject to the disclaimer on https://www.refinitiv.com/termestr . Additional licenses will be available following the launch of the production version
Regulatory status in the EU and Supervisor in the EU of the benchmark administrator	Authorised under Article 34 of EU Benchmarks Regulation and supervised by the European Securities and Markets Authority (ESMA)	Beta version currently not supervised in the EU

Disclaimer: this document has been prepared for information purposes only and is not a substitute for market participants' own responsibility to conduct research and to seek professional advice. The information in this document is given in summary form and does not purport to be a comprehensive outline of all relevant factors or considerations. This paper has not sought to validate or authenticate the methodologies or approaches presented herein and nothing in the paper should be considered a promotion or recommendation of any benchmark administrator, methodology or approach in particular.

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