

## Results of Market Consultation on the ICAP Benchmarks Family and the Tullett Prebon Benchmarks Family

24 August 2022

On 4 July 2022, Parameta Solutions opened a market consultation<sup>1</sup> to obtain feedback on the the ICAP Benchmarks Family and the Tullett Prebon Benchmarks Family (together the "Benchmarks").

The market consultation was open for market participants to provide feedback on two topics as under:

1. Calculations Times, and
2. Frequency of Calculation

The TP ICAP Benchmark Families display the (implied) mid-prices for swaps by reference to maturity on its EUR swap fixings. The benchmarks are used in the industry in a number of ways such as:

- referenced in derivative contracts entered into by derivative market participants as a result of being contained in the 2006 ISDA Definitions;
- referenced in contracts, and
- referenced in issuances.

Parameta Solutions notifies market participants of the outcome of this market consultation as set out below:

### Calculation Times

Market participants did not raise any objection on bringing the closing time forward by 30 minutes to 6.30pm Madrid Time. No market participants believed the change would have a negative impact on them, their firm or the industry. The Calculation Times therefore would be brought forward to 6.30pm Madrid Time with effect from 5 September 2022.

### Frequency of Calculation:

The feedback from the market participants, was mainly from the issuance industry who stated:

- a. A snapshot model would restrict the usage of the Benchmarks in the industry, and
- b. A move to a snapshot model would be detrimental to them, their firm and the industry

Respondents also emphasised there is therefore a need for flexibility particularly when pricing issuances and swaps, and a snapshot model would not be appropriate for such typical use of the Benchmarks. As a consequence to this feedback, no changes are being made to the frequency of calculation of the Benchmarks.

The purpose of the market consultation was to ensure that the TP ICAP Benchmark Families were appropriate and consistent with the index objectives. Parameta Solutions is committed to transparency when developing or reviewing benchmark methodologies, or considering material changes to its benchmarks as markets evolve and industry conditions change, noting however that the methodologies cannot capture every circumstance or situation.

For further information regarding the benchmarks including licensing and distribution, please contact [findoutmore@parametasolutions.com](mailto:findoutmore@parametasolutions.com).

<sup>1</sup> <https://parametasolutions.com/sites/g/files/escbpb156/files/2022-07/TP%20ICAP%20EURO%20Benchmarks%20Consultation%20June%202022.pdf>



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