

TO: Clearing Member Firms; Back Office Managers

FROM: CME Clearing

ADVISORY #: 18-156

DATE: April 17, 2018

SUBJECT: SONIA Reform & GBP OIS

Please be advised that changes related to the upcoming reform of the Sterling Overnight Interbank Average (SONIA) index are scheduled to go live in the Production environment on April 23, 2018.

These changes will affect all cleared GBP OIS. Operational impacts include referencing a new index name (GBP-SONIA-COMPOUND) and a change to publication date of the revised daily rate. The revised rate will be published at a time later than the current reference rate, necessitating a one-day delay to the coupon payments on cleared GBP OIS. Interest is paid from the payer to the receiver of the coupon to compensate for the delay. All cleared trades will be amended to reference the new index name. Reports and FpML messages sent to Clearing Member Firms will show the new index name. CME is unable to offer amendment messages updating the index on existing swaps.

Specifications and message samples are available on IntraLinks. For more information, please contact the CME Client Services Team at onboarding@cmegroup.com or 312.338.7112.

Regards,

CME Clearing