

TO: Clearing Member Firms; Back Office Managers

FROM: CME Clearing

ADVISORY #: 18-382

DATE: September 26, 2018

SUBJECT: OTC IRS Production Advisory – SOFR

Please be advised that the Release 20 deployment is scheduled for Production on **Monday, October 1, 2018**. Below are the new IRS products that will be made available for clearing and via CME CORE and the Margin API:

- **SOFR OIS** –fixed/float swap referencing the Secured Overnight Financing Rate (SOFR)
  - Maximum maturity to 30 years
  - Floating rate reference: USD-SOFR-COMPOUND
  - Holiday Calendars – US Government Securities (USGS) and New York (USNY)
- **SOFR vs Fed Funds Basis Swap** –float/float swap referencing SOFR versus the Effective Federal Funds Rate
  - Maximum maturity to 30 years
  - Floating rate references: USD-SOFR-COMPOUND, USD-Federal Funds-H.15-OIS-COMPOUND
  - Holiday Calendars – US Government Securities (USGS) and New York (USNY)
- **SOFR vs USD-LIBOR Basis Swap** –float/float swap referencing SOFR versus USD-LIBOR
  - Maximum maturity to 30 years
  - Floating rate references: USD-SOFR-COMPOUND, USD-LIBOR-BBA
  - Holiday Calendars – US Government Securities (USGS) and New York (USNY)
- **Key Operational Impacts** –
  - Two additional Trade Register (IRSTR) columns for Payment Offsets
  - Additional holiday calendar - US Government Securities (USGS)
  - Price Alignment Amount will reference SOFR
  - SOFR-based pricing curve for both forecasting and discounting

For further details, please refer to the latest **CME OTC IRS Release 20 Specification** document available on **IntraLinks** (<https://services.intralinks.com/login>)

For questions, please contact the CME Client Services Team at [onboarding@cme.com](mailto:onboarding@cme.com) or 312.338.7112.

Regards,

CME Clearing