

TO: Clearing Member Firms; Back Office Managers

FROM: CME Clearing

ADVISORY #: 23-212

DATE: July 24, 2023

SUBJECT: OTC IRS New Release Advisory – EUR, JPY IRS Valuation Curve Input Changes

As part of our continuing efforts to ensure a prudent risk management process for all products, CME Clearing will be incorporating the changes outlined below to Interest Rate Swap (IRS) curves. These curves are used for end-of-day valuations. These changes will be reflected in the New Release environment on **Wednesday, July 26, 2023** and in Production on **Monday, August 14, 2023**

- EUR – EURIBOR 3M curve inputs will be replaced as shown below

	EUR EURIBOR 3M Curve
Add Inputs	FRAs: 0DX3M, 3MX6M, 6MX9M; IRS: 1Y-10Y, 12Y, 15Y, 20Y, 25Y, 30Y, 40Y, 50Y
Remove Inputs	3M/6M Basis Swap: 1Y-5Y, 7Y, 10Y, 12Y, 15Y, 20Y, 25Y, 30Y, 40Y, 50Y

- EUR – EURIBOR 1M curve will be updated by adding the following inputs

	EUR EURIBOR 1M Curve
Add Inputs	Fixing: EURIBOR 1M

- EUR – ESTR 1D – CME Clearing will use CME specific swap quotes in curve generation
- JPY – TONAR 1D – CME Clearing will use CME specific swap quotes in curve generation

What is changing?

The following end-of-day curve files will be changed to reflect the updated input instruments, input quotes and discount factors:

- IRS_EUR_CURVE_20230726.nr.csv
- IRS_JPY_CURVE_20230726.nr.csv
- IRSDFR_EURIBOR3M_20230726.nr.csv
- IRSDFR_EURIBOR1M_20230726.nr.csv
- IRSDFR_ESTR_20230726.nr.csv
- IRSDFR_TONAR_20230726.nr.csv

For questions, please contact the Pricing and Valuations team at OTCRatesPricing@cmegroup.com.

Regards,

CME Clearing