



EUROPEAN CENTRAL BANK

EUROSYSTEM

Update on the OIS market

Transition from
EONIA to €STR

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One year after go-live: €STR use in markets

In July 2019, the WG on euro RFR recommended that: *as from 2 October 2019, whenever feasible and appropriate, market participants should consider avoiding entering into any new contracts referencing EONIA, in particular new contracts maturing after 31 December 2021.*

Chart: Percentage of EUR OIS volumes linked to €STR (LCH data)

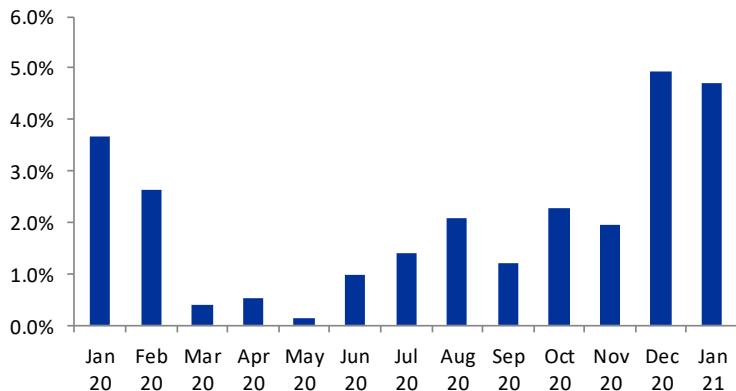
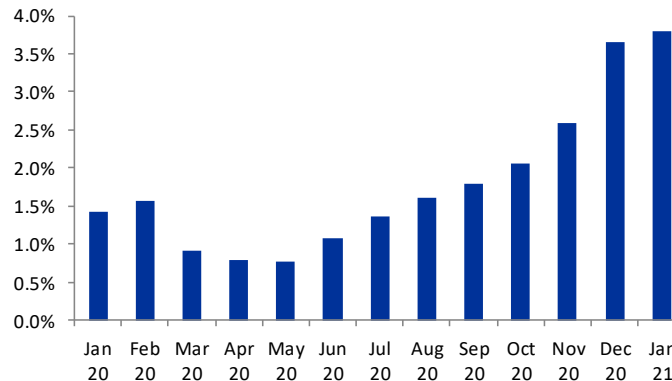


Chart: Percentage of EUR OIS outstanding linked to €STR (LCH data)



€STR use in OIS market picked up in December 2020 to the highest (but still very low) level so far...
... still, euro OIS market references largely EONIA...

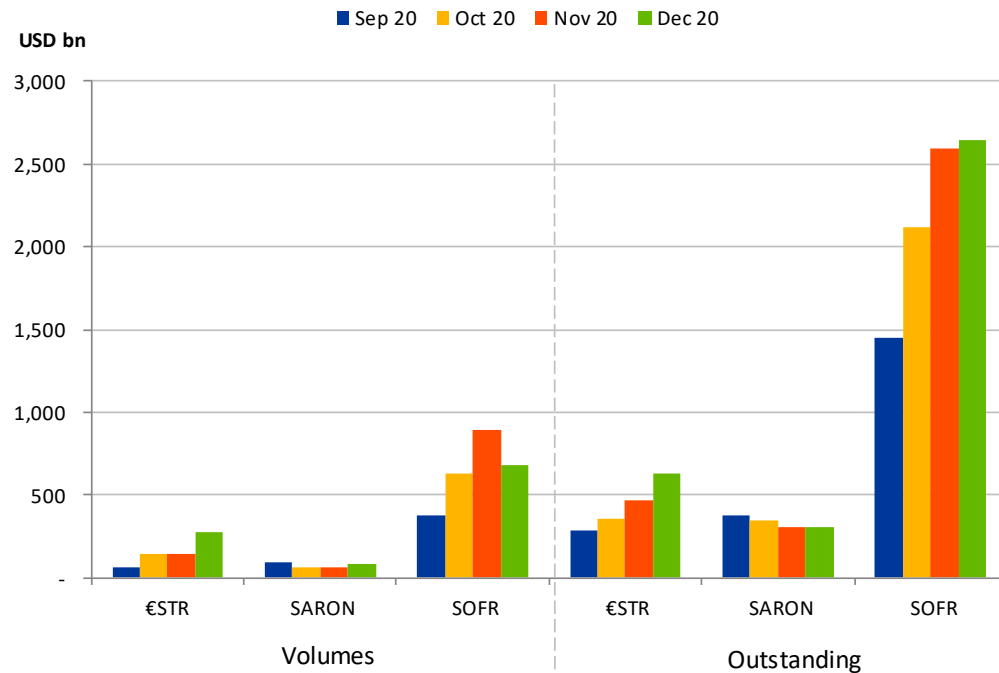
Source:

<https://www.lch.com/services/swapclear/volumes/rfr-volumes>

One year after go-live: €STR use in markets

Comparison with other countries

Chart: Notional volumes and outstanding



Source:

<https://www.lch.com/services/swapclear/volumes/rfr-volumes>

One year after go-live: Extra effort in transitioning required

Continuing reliance on EONIA bears potential risks (e.g. operational and legal), which can be mitigated if users start using €STR as soon as possible.



**EONIA's last
publication
3 Jan 2022**

Users to:

- ensure sufficient level of preparedness: systems, documentation, staff and client awareness
- stop trading EONIA asap and use €STR instead
- make necessary arrangements for EONIA contracts that mature after 3 Jan 2022