

Minutes of the Canadian Alternative Reference Rate Working Group

Toronto, 16 December 2019, 11:30 a.m. to 1:30 p.m.

1. Update from UK national working group

Representatives from the [UK Working Group on Sterling Risk-Free Reference Rates](#) provided an update on the status of the term risk-free rate work in the UK. This update covered the Working Group's term risk-free rate consultation, as well as its open and transparent process for encouraging benchmark administrators to develop term risk-free benchmark rates.

2. ISDA fallback update

A representative from ISDA provided a summary of ISDA's recent consultation on the [fallbacks for euro LIBOR and EURIBOR](#), including its steps going forward to have the new ISDA fallbacks and protocol in place by H1-2020. ISDA also reviewed some of the technical work underway by Bloomberg ahead of ISDA's expected Q1 release of its Benchmarks Supplement and Protocol. They also discussed ISDA's recent [response](#) to the OSSG on potential pre-cessation triggers.

LCH noted that it was planning a consultation on a potential change to its rule book to address what happens should a benchmark be deemed non-representative by a regulator.

3. Review of international developments

This topic was deferred to the next meeting due to time constraints to allow time for the updates from the subgroups.

4. Updates from subgroups

The Transition subgroup detailed the results of its recent calls with several systems providers about their plans for dealing with benchmark transition issues. The CORRA futures workstream provided an update on the Montreal Exchange's plans for launching a new CORRA futures contract in 2020. The communications outreach is expected to begin in Q1-2020.

The Term Risk-Free Rate subgroup discussed their plans for launching the upcoming survey to determine whether there is a need for a forward-looking term RFR in the Canadian market.

5. Other items

The co-chairs discussed recent outreach activities with Canadian market participants.

The next CARR meeting will take place on 27 January 2020.

List of attendees

Market representatives

Douglas Paul, AIMCO
Nick Chan, BMO Capital Markets
Mario Pereira, BMO Capital Markets
Alex Prole, Canadian Imperial Bank of Commerce
Karl Wildi, Canadian Imperial Bank of Commerce
Philip Whitehurst, LCH
Dave Duggan, National Bank Financial
Audrey Gaspar, OTPP
Ed Devlin, PIMCO
Andrew Bastien, PSP
Jim Byrd, Royal Bank of Canada
Paul Hildebrand, Royal Bank of Canada
Alejandro Stanco, Scotiabank
Brett Pacific, Sunlife
Michael Lin, TD Bank
Nicholas Jewitt, TD Bank

Observers

Jacques Caussignac, TMX
Joshua Chad, McMillan

Bank of Canada

Harri Vikstedt
Mark Hardisty
Sheryl King
Zahir Antia
Thomas Thorn