

Update on the OIS market

Transition from EONIA to €STR



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ESTR use in derivative 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 outstanding linked to €STR

€STR use in OIS market picked up in February 2021 to the highest (but still very low) level so far... ... still, euro OIS market references largely EONIA...

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

ESTR use in derivative markets

Comparison with other countries

Source:

Chart: Notional volumes and outstanding



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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