

# IBOR Transition Newsletter

QUARTERLY NEWSLETTER | DECEMBER 2023

The purpose of this newsletter is to provide the latest updates and industry developments regarding the transition from Interbank Offered Rates (IBORs) to alternative reference rates (ARRs). In this issue, you will find summarized jurisdictional highlights from the global regulatory community, industry working groups, and various industry news sources.

For additional information on the CDOR transitions please visit [BMO's IBOR Transition Website](#).

## CANADA

- To help support the transition from CDOR to CORRA, the Canadian Alternative Reference Rate working group ([CARR](#)) established a [milestone](#) date of November 1, 2023 after which “no new CDOR or BA loans” are to be originated.
- The Office of the Superintendent of Financial Institutions ([OSFI](#)) issued an [industry notice](#) supporting this CARR milestone, giving the November 1, 2023 date regulatory backing.
- CARR added 20 additional questions to their [CDOR Transition FAQs](#) in response to questions frequently sent to CARR and its members
- CARR [published](#) a guide for Canadian companies transitioning from CDOR, with key points to consider when assessing the impact of transitioning to CORRA in arrears or Term CORRA.
- The Canadian Fixed-Income Forum ([CFIF](#)) [published](#) an update on the transition away from Bankers Acceptances (BAs) along with a [recommendation](#) for an orderly wind down of the BA market.
- CARR [amended](#) their recommended fallback language for CDOR indexed NHA MBS, including comments for any legacy NHA MBS that do not yet include CDOR fallback language.
- CARR [published](#) their recommended conventions for Term CORRA swaps.
- CARR and TMX released episode 6 of their [CDOR Transition webcast series](#), “Unlocking Term CORRA: Methodology, Use Cases, Licensing, and More”.
- Bank of Canada [announced](#) changes to Overnight Reverse Repo operations to help reinforce the Bank’s policy target for the overnight rate.
- Market liquidity has migrated to both CORRA indexed swaps and futures. Weekly trading volume and open interest in CORRA futures have now overtaken BA futures. To track the benchmark transition in Canadian derivatives markets, please follow CARR’s [weekly derivatives monitor](#).

## UNITED STATES

- The Alternatives Reference Rate Committee (ARRC) [released](#) its Closing Report on the successful Transition away from LIBOR.
- Bloomberg Index Services Limited (BSBL) [announced](#) the cessation of the Bloomberg Short-Term Bank Yield Index (BSBY) immediately after final publication on November 15, 2024.

FOR MORE INFORMATION ON THESE TOPICS, OR TO BE ADDED TO THIS QUARTERLY DISTRIBUTION LIST, PLEASE CONTACT [IBOR.TRANSITIONOFFICE@BMO.COM](mailto:IBOR.TRANSITIONOFFICE@BMO.COM) | IBOR TRANSITION OFFICE