

ISDA 2021 Definitions

ASX Proposal

June 2021

Confidential
Subject to consultation and regulatory clearance



ISDA 2021 Definitions – Background & ASX Proposal

- ISDA will publish the ISDA 2021 definitions as a replacement to the ISDA 2006 definitions, including consolidation of the 70+ supplements over the past 15 years. **Target industry go-live is 4 October 2021**
- The Definitions will impact the Floating Rate Options (FRO) labels for swaps that are eligible for clearing on ASX's OTC Clearing Service in accordance with ASX's OTC Handbook. Impacted FROs below:

Currency	ISDA 2006 definitions name	ISDA 2021 definitions name
AUD	AUD-AONIA-OIS-COMPOUND	AUD-AONIA-OIS Compound
AUD	AUD-BBR-BBSW	AUD-BBSW
NZD	NZD-BBR-FRA	NZD-BBR FRA
NZD	NZD-NZIONA-OIS-COMPOUND	NZD-NZIONA-OIS Compound

ASX Proposal [effective from the target industry go-live date of 4 October 2021]

- OTC Swaps referencing either the ISDA 2006 or 2021 definitions will continue to be eligible for clearing through ASX.
- All OTC Open Contracts (whether registered for clearing before, on or after 4 October 2021) will be treated as if they incorporated the ISDA 2021 definitions.
- This approach will ensure all ASX cleared swaps are fungible – including from a netting and compression perspective.
- The ASX Proposal will be implemented via changes to the ASX OTC Rulebook and Handbook subject to consultation and regulatory clearance.

ISDA 2021 Definitions – ASX Proposal – Reports

- ASX’s OTC Clearing Reports do not require changes as part of the ASX Proposal to implement the ISDA 2021 Definitions.
- Existing FRO labeling on ASX’s OTC Clearing Reports is shown below, and does not require update:

Currency	ISDA 2006 definitions name	ISDA 2021 definitions name	ASX Proposal – Reporting FRO label (unchanged)
AUD	AUD-AONIA-OIS-COMPOUND	AUD-AONIA-OIS Compound	AUD/AONIA/1D/RBA30
AUD	AUD-BBR-BBSW	AUD-BBSW	AUD/BBSW/1M/BBSW AUD/BBSW/3M/BBSW AUD/BBSW/6M/BBSW
NZD	NZD-BBR-FRA	NZD-BBR FRA	NZD/BKBM/3M/BKBM
NZD	NZD-NZIONA-OIS-COMPOUND	NZD-NZIONA-OIS Compound	NZD/NZIONA/1D/RBNZ02

ISDA 2021 Definitions – ASX Proposal – API, FPMLs and Regulatory Reports

- **Effective from the target industry go-live date of 4 October 2021** All OTC Open Contracts (whether registered for clearing before, on or after 4 October 2021) will be treated as if they incorporated the ISDA 2021 definitions. Therefore:
 - ASX OTC Clearing API FPML messages (e.g. confirmation of clearing) will apply the ISDA 2021 FRO label e.g. AUD-BBSW, regardless of whether the clearing request applied the ISDA 2006 or ISDA 2021 FRO label.
 - ASX OTC regulatory reporting will apply the ISDA 2021 FRO label on all cleared swaps (e.g. AUD-BBSW rather than AUD-BBR-BBSW).

Currency	ISDA 2006 definitions name	ISDA 2021 definitions name	ASX Proposal – API, FPML and regulatory reporting FRO label
AUD	AUD-AONIA-OIS-COMPOUND	AUD-AONIA-OIS Compound	AUD-AONIA-OIS Compound
AUD	AUD-BBR-BBSW	AUD-BBSW	AUD-BBSW
NZD	NZD-BBR-FRA	NZD-BBR FRA	NZD-BBR FRA
NZD	NZD-NZIONA-OIS-COMPOUND	NZD-NZIONA-OIS Compound	NZD-NZIONA-OIS Compound

- Note: ASX is not intending to issue amendment FPML messages to customers via its API to update the FRO label on legacy trades.

Contact

- Please contact ASX for further information

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Thank you.