

# CIBOR Calculation Methodology

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# 1 Definitions

For the purposes of the CIBOR Calculation Methodology (hereinafter referred to as the “Methodology”), the following definitions shall apply:

- a) **“Benchmark Administrator”** shall mean the Danish Financial Benchmark Facility (DFBF)
- b) **“Benchmarks Oversight Committee”** shall mean the committee (**the Committee**) within the DFBF that has the primary governance oversight of the Methodology, determination and dissemination of the Benchmarks. The Committee’s purpose is to support the integrity, accuracy and reliability of the Benchmarks to the benefit of all users of the benchmark and reliant market participants.
- c) **“Panel Bank”** shall mean a bank which has been assigned the status of Panel Bank pursuant to Section 1 of the Panel Bank Code of Conduct and submits Input Data for the calculation of the Benchmarks;
- d) **“Input Data”** shall mean the definition of Input Data, and the priority of Input Data as described in the DFBF Code of Conduct – CIBOR and Tom/Next.
- e) **“The Benchmark”** shall mean CIBOR ®,
- f) **“CIBOR”** being the rate of interest, at which a Panel Bank would lend DKK, if they were to do so, for a period of 1 week, 2 weeks, 1, 2, 3, 6, 9 and 12 months' maturity to a prime bank on an uncollateralized basis (i.e. unsecured interbank loan).
- g) **“DRP”** shall mean the Disaster Recovery Protocol.

## 2 Calculation of CIBOR

### 2.1 Timings of Submissions/Calculations and Publication

The Input Data for the calculation of CIBOR shall be submitted by Panel Banks to the DFBF every good business day (being defined as a day when banks are open in Denmark), between 10:30am and 10:45am local time.

CIBOR shall be calculated for transactions that are to be settled on the second business day following the calculation date, with the act/360 convention.

The DFBF shall check the formal correctness of the Input Data between 10:45am and 11:00am local time and resolve any discrepancies directly with the Panel Bank in question, should they occur. Panel Banks may, exceptionally, alter their Input Data at that time, but not later than 10:58am. local time.

The calculation of CIBOR shall take place at 11:00am. local time.

<u>Activity</u>	<u>Key times</u>
Submission time	10:30am - 10:45am
Check Input Data accuracy	10:45am – 11:00am
Submission deadline	10:58am
Calculation/Publication	11:00am – 11:10am for submissions
DRP calculation time	11:30am
Reporting of errors	11:00am – 1:00pm
Notification of re-fix	2:00pm
Re-fix time	3:00pm
Publication of final submissions	Yes

### 2.2 Calculation Methodology and Contingency calculations

CIBOR shall be calculated as the mathematical arithmetic mean rounded to four decimal places for the following maturities: 1 and 2 weeks, 1, 2, 3, 6 and 9 months, and 1 year, in the following manner:

- a. if the DFBF receives Input Data from 12 or more Panel Banks, the rate for the relevant maturity shall be the arithmetic mean of the rates, net of the three highest and three lowest rates;
- b. if the DFBF receives Input Data from between eight and eleven Panel Banks, the rate for the relevant maturity shall be the arithmetic mean of the remaining rates net of the two highest and two lowest rates;
- c. if the DFBF receives Input Data from between four and seven Panel Banks, the rate for the relevant maturity shall be the arithmetic mean of the remaining rates net of the highest and lowest rate;
- d. if the DFBF receives Input Data from less than four Panel Banks, yesterday's rate will be published.

Number of Submissions	Calculation Method and Contingency Calculations
12 or more	Top and Tail three (3) highest and lowest then arithmetic mean of remaining submissions
8 - 11	Top and Tail two (2) highest and lowest then arithmetic mean of remaining submissions
4 - 7	Top and Tail one (1) highest and lowest then arithmetic mean of remaining submissions
0 - 3	Publish yesterday's rate

Once announced and published, the CIBOR rates shall be final subject to the Post Publication Re-determination policy as described in 2.4.

### 2.3 Quorum for Calculation

The quorum for calculation is 4. In the case that less than 4 contributions are received, yesterday's rate will be published.

### 2.4 Re-fixing Due to Erroneous Submissions

The DFBB may publish re-determined CIBOR rates before 3:00pm local time at the latest, having announced the intention to republish corrected CIBOR rates by 2:00pm local time. Full details of this process are detailed in the DFBB 17028 Post Publication Re-Determination policy which is publicly available at [www.dfbf.dk](http://www.dfbf.dk).

### 2.5 Business Continuity Plan

In-the-event that the DFBB 13001 Business Continuity Plan is initiated the Methodology applied for the calculation of CIBOR will be unchanged.

## 3 Disclosure of and changes to the Methodology

This Methodology shall be published by the DFBB via its website [www.dfbf.dk](http://www.dfbf.dk)

The method for calculating the Benchmarks given in Section 2 may be changed by the DFBB upon recommendation by the Committee and in accordance with the DFBB 17018 Consultation Policy.

When amendments are made to the Methodology, the Panel Banks shall be given reasonable and adequate time to adjust their procedures and processes.

## 4 Effect

The procedures detailed in this document shall take effect on 1<sup>st</sup> October 2019.