

CITA Calculation Methodology

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1 Definitions

For the purposes of the CITA 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 OC**) within the DFBF that has the primary governance oversight of the methodology, determination, and dissemination of the Benchmarks. The OC’s purpose is to support the integrity, accuracy, and reliability of the Benchmarks to the benefit of all users of the Benchmarks 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 as described in the DFBF CITA SWAP Panel Bank Code of Conduct.
- e) **“The Benchmark”** shall mean CITA
- f) **“CITA”** being the interest rate swap offered rate quoted for the day-to-day rate Tom/Next (DESTR plus a Spread of 19 basis points) against a fixed DKK rate for the following maturities - 1 month, 3 months, 6 months and 12 months' maturity¹.

CITA is undergoing a reform based on public consultation which took place in 2022. The reform is in line with a related reform of the Tom/Next benchmark. Both reforms consist of the benchmarks' transition to being based on DESTR (DESTR-based OIS in case of CITA). This calculation methodology is applicable for Sequence 1 of CITA reform and will be updated in 2026 in line with the 2022 consultation and in relation to cessation of the Tom/Next benchmark.

- g) **“DRP”** shall mean the Disaster Recovery Protocol.

¹ until 1 January 2026

2 Calculation of CITA

2.1 Timings of Submissions/Calculations and Publication

The Input Data for the calculation of CITA is based on a market quote for the rate at which Panel Banks are prepared to offer DESTR OIS at 10:30am, to 3 decimal places. Rates shall be submitted by Panel Banks to the DFBB every good business day (being defined as a day when banks are open in Denmark), between 10:30am and 10:45am local time.

The DFBB 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 10:55am local time.

The calculation of CITA 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	10:55am
Calculation/Publication	11:00am
DRP Publication	11:30am
Reporting of errors	10.55am - 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

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

CITA shall be calculated as the arithmetic mean of input data to which a fixed spread of 19 basis points is added, before the resulting value is finally rounded to four decimal places for the following maturities: 1 month, 3 months, 6 months and 12 months maturity. The following trimming is applied:

- a) if the DFBB receives Input Data from eight (8) or more panel banks, the rate for the relevant maturity shall be the arithmetic mean of the rates, net of the two highest and two lowest rates;
- b) if the DFBB receives Input Data from between four (4) and seven (7) panel banks, the rate for the relevant maturity shall be the arithmetic mean of the remaining rates net of the highest and lowest rate;
- c) if the DFBB receives Input Data from three (3) panel banks, the rate for the relevant maturities will be the arithmetic mean of submitted rates
- d) if the DFBB receives Input Data from two (2) panel banks, the shortfall of one contribution from three contributions will be replaced by using the previous day's aggregate benchmark rate for the relevant maturity.

- e) If the DFBF receives Input Data from only one (1) or zero (0) panel banks yesterday's aggregate benchmark rate will be published.

Number of Submissions	Calculation Method and Contingency calculations
8 or more	Top and tail (2) highest and lowest then arithmetic mean of remaining submissions
4-7	Top and tail (1) highest and lowest then arithmetic mean of remaining submissions
3	Arithmetic mean of submitted rates
2 Contingency	In the case where the required quorum is not met and the DFBF receives Input Data from less than three (3) panel banks, but greater than one panel bank, contingency measures are enacted and the shortfall of one contribution will be replaced by using the previous day's CITA rate once.
0-1 Contingency	Publish yesterday's aggregate benchmark rate

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

2.3 Quorum for Calculation

The quorum is 3 submissions. In the case that less than 3 contributions are received the contingency procedure will apply.

2.4 Re-fixing Due to Erroneous Submissions

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

2.5 Business Continuity Plan

In-the-event that the DFBF Business Continuity Plan is initiated the Methodology applied for the calculation of CITA will be unchanged.

3 Disclosure of and changes to the Methodology

This Methodology shall be published by the DFBF via its website www.dfbf.dk

The method for calculating CITA given in Section 2 may be changed by the DFBF after consultation with the OC and in accordance with the DFBF 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

These procedures detailed in this document shall take effect on 1 February 2023.