[21 June 2013]

[Recipient]

Dear Madam/Sir,

**CHANGES TO ABS FINANCIAL BENCHMARKS – TRANSITION OF OUTSTANDING CONTRACTS REFERENCING THE FX BENCHMARKS**

1. As announced by the Association of Banks in Singapore (**ABS**), in consultation with the Singapore Foreign Exchange Market Committee (**SFEMC**) on 14 June 2013[[1]](#footnote-1), in order to enhance the robustness, transparency and efficiency of the benchmark contribution process in Singapore, the following changes will be made to the ABS financial benchmarks:

|  |  |  |  |
| --- | --- | --- | --- |
| FX Benchmark | Outcome | Last Day of Old Benchmark Publication | First Day of New Benchmark Publication |
| SGD SPOT FX | Transit to Traded Benchmark | 5 Aug 2013 | 6 Aug 2013 |
| THB SPOT FX |
| IDR SPOT FX |
| MYR SPOT FX | Transit to Alternative Benchmark: PPKM  | 5 Aug 2013 | N.A.6 Aug 2013: Transit to Alternative Benchmark |
| VND SPOT FX | Discontinue | 12 Jul 2013 | N.A |
|  |
| Rates Benchmark | Outcome | Last Day of Old Benchmark Publication | First Day of New Benchmark Publication |
| SGD IRS | Discontinue: All maturities | 12 Jul 2013 | N.A |
| THB SOR |
| IDR SOR |
| SGD SOR | Transit to Traded Benchmark: O/N, 1m, 3m, 6m | 30 Sep 2013 | 1 Oct 2013 |
| Discontinue: 1w, 2m, 9m, 12m | N.A |
| SGD SIBOR | Improve Governance: 1m, 3m, 6m, 12m | N.A | N.A |
| Discontinue: 2m, 9m | 30 Sep 2013 | N.A |
| USD SIBOR | Transit to Alternative Benchmark: USD LIBOR | 31 Dec 2013 | N.A1 Jan 2014: Transit to Alternative Benchmark |

2. We may have outstanding transactions with you that are impacted by the proposed changes in the above FX benchmarks. In order to facilitate a smooth transition to the new benchmarks, the SFEMC has made a number of recommendations, including:

(a) NDF and other relevant contracts referencing the SGD, THB or IDR spot rate benchmarks that may be entered into on or after 6 August 2013 should apply the corresponding new benchmarks.

(b) NDF and other relevant contracts referencing the MYR spot rate benchmark that may be entered into on or after 6 August 2013 should apply the onshore MYR spot rate benchmark published on Reuters Screen MYRFIX2 Page.

(c) Parties should mutually agree to amend NDF and other relevant contracts referencing the existing SGD, THB, IDR or MYR spot rate benchmarks that remain outstanding on 6 August 2013 to reference (as applicable) the new spot rate benchmarks for SGD, THB or IDR or the onshore MYR spot rate benchmark published on Reuters Screen MYRFIX2 Page.

3. To assist parties that wish to make the amendments described in paragraph 2(c), the International Swaps and Derivatives Association, Inc. (“**ISDA**”) and EMTA, Inc. (“**EMTA**”) will publish a Multilateral Amendment Agreement (**FX-MAA**). The FX-MAA provides an efficient means by which a party can amend its outstanding contracts with more than one other party. Instead of entering into separate bilateral agreements with each other party with whom it has outstanding contracts, a party by executing the FX-MAA will be deemed to have amended its outstanding contracts with each other party that executes the FX-MAA. It is intended that the FX-MAA will be published and open for adherence on 5 July 2013 and that the adherence period will close on 2 August 2013.

4. We will contact you again once the FX-MAA has been published by ISDA and EMTA. A timeline of expected publication of various industry documents is set out in Appendix 1. In the meantime, if you have any questions, please refer to the FAQ at <http://www.abs.org.sg/financial_faq_benchmarks.php> or contact [ ].

5. We will be writing to you separately with further information if we have outstanding transactions with you that may be impacted by the proposed changes in the above rates benchmarks.

Yours faithfully

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| **APPENDIX I** |
|  | **Description of document**  | **Proposed publication date**  |
| 1. | SFEMC Explanatory Note  | 5 July 2013  |
| 2. | FX-Multilateral Amendment Agreement (FX-MAA ) | 5 July 2013 (with effective date of 6 August 2013). Open for adherence from 5 July 2013 to 2 August 2013  |
| 3. | Bilateral form of FX-MAA  | 5 July 2013  |
| 4. | Amendments to ISDA/EMTA/FXC Annex A to 1998 FX and Currency Option Definitions  | 5 July 2013 (except for the USD/MYR spot rate benchmark definition, with effective date of 6 August 2013)  |
| 5. | EMTA Market Practice Statement  | 5 July 2013 (with effective date of 6 August 2013)  |
| 6. | Revised SFEMC/EMTA/FXC Template Terms for MYR/USD NDF  |
| 7. | Revised SFEMC/EMTA/FXC Template Terms for IDR/USD NDF  |
| 8. | Revised EMTA Template Terms for MYR/USD NDO  |
| 9. | Revised EMTA Template Terms for IDR/USD NDO  |
| 10. | Revised ISDA NDS template  |
|  |  |  |
| 11. | Rates- Multilateral Amendment Agreement (Rates-MAA )  | 29 August 2013 (with effective date of 1 October 2013). Open for adherence from 29 August 2013 to 26 September 2013  |
| 12. | Bilateral form of Rates-MAA  | 29 August 2013  |
| 13. | Amendments to 2006 ISDA Definitions  | 29 August 2013 (with effective date of 1 October 2013)  |
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1. Please click for [ABS press release](http://www.abs.org.sg/pdfs/Newsroom/PressReleases/2013/ABS_SFEMC_Press_Release_20130614.pdf), [SFEMC statement](http://www.sfemc.org/pdf/SFEMC_Statement_on_ABS_Financial_Benchmarks.pdf) and [related materials](http://www.abs.org.sg/financial_faq_benchmarks.php) [↑](#footnote-ref-1)