



18 February 2014

SFEMC Statement on USD/IDR spot rate benchmark

1. ABS Benchmarks Administration Co Pte. Ltd., in consultation with the Singapore Foreign Exchange Market Committee (**SFEMC**), has announced that it will discontinue the USD/IDR spot rate benchmark (denoted as "IDR VWAP" or "IDR03" in the 1998 FX and Currency Option Definitions) with the last day of publication being 27 March 2014. It has been decided that the above benchmark is no longer necessary given the development of an onshore USD/IDR spot rate benchmark. The onshore USD/IDR spot rate benchmark is reported by Bank Indonesia and published on its website and will be denoted as "IDR JISDOR" or "IDR04" in the 1998 FX and Currency Option Definitions.
2. The SFEMC recommends that market participants apply IDR JISDOR (IDR04) to NDF and other relevant contracts that have trade dates on or after 28 March 2014.
3. With respect to contracts with trade dates that precede 28 March 2014 that remain outstanding on such date and that reference IDR VWAP (IDR03), the SFEMC recommends that parties mutually agree to amend such contracts to reference IDR JISDOR (IDR04). To assist parties that wish to make such amendments, the SFEMC will work with the International Swaps and Derivatives Association, Inc. (**ISDA**) and EMTA, Inc. (**EMTA**) to publish a Multilateral Amendment Agreement (**IDR-MAA**) – it is intended that the IDR-MAA will be published and open for adherence on 4 March 2014 and will remain open for adherence until 25 March 2014. A bilateral version of the IDR-MAA will also be published.
4. Although the market standard template for NDF and other relevant contracts referencing IDR VWAP (IDR03) provides for the SFEMC IDR Indicative Survey Rate (IDR02) as the second disruption fallback, market participants should note that the SFEMC does not intend to conduct any SFEMC IDR Indicative Survey as a result of the discontinuation of IDR VWAP (IDR03). The SFEMC IDR Indicative Survey is intended to produce an indicative rate quotation in times of market closure or disruption when a tradeable USD/IDR spot rate may not be available. It is thus not appropriate for the present situation of a planned discontinuation of IDR VWAP (IDR03).
5. In connection with the above, a list of the documents that have been/will be published by ISDA, EMTA, the SFEMC and FXC (as appropriate) is set out in the Appendix.

APPENDIX

	Description of document	Relevant dates
1.	SFEMC Explanatory Note	Published on 18 February 2014
2.	Informative cover letter to wholesale customers	To be published on 4 March 2014
3.	IDR-MAA	To be published on 4 March 2014 (with effective date of 28 March 2014). To be open for adherence from 4 March 2014 to 25 March 2014
4.	Bilateral form of IDR-MAA	To be published on 4 March 2014
5.	Amendments to ISDA/EMTA/FXC Annex A to 1998 FX and Currency Option Definitions	To be published on 4 March 2014 (with effective date of 28 March 2014)
6.	EMTA Market Practice Statement	
7.	Revised SFEMC/EMTA/FXC Template Terms for IDR/USD NDF	
8.	Revised EMTA Template Terms for IDR/USD NDO	
9.	Revised ISDA NDS template	