

BANCA MONTE DEI PASCHI DI SIENA (BMPS) WITHDRAWS FROM THE EURIBOR BANK PANEL

Brussels, 7 January 2019 – Today, the European Money Markets Institute (EMMI) announced Banca Monte dei Paschi di Siena’s (BMPS) withdrawal from the panel of banks contributing to the Euribor benchmark with immediate effect. .

As part of the ongoing Euribor reform, EMMI expects to submit to the FSMA its authorisation file as administrator of critical benchmarks by Q2 2019 as planned. To ensure that banks are operationally ready and willing to contribute under the new methodology, EMMI has called for the banks’ recommitment to their participation in the panel. It is in this context that BMPS communicated its intention to withdraw from the Euribor Panel.

Following BMPS’ decision, EMMI performed an assessment of the implications of the withdrawal on the capability of the benchmark to measure its underlying market or economic reality. In line with the guidelines set in the EU Benchmarks Regulation, EMMI submitted this assessment to the FSMA. EMMI considered that the impact of BMPS’ withdrawal from the Euribor Panel on the representativeness and robustness of the benchmark is limited. Subsequently, the FSMA, after consultation with the Euribor College, informed EMMI that it would not compel BMPS to continue to contribute data to Euribor because of BMPS’s low level of actual and potential participation in the market that Euribor intends to measure.

As a result, BMPS’ last contribution of input data toward the determination of the Euribor benchmark took place on 7 January 2019.

Note for the editor:

The European Money Markets Institute – EMMI is an international non-profit making association based in Brussels (56, Ave des Arts, 1000 Brussels). It manages European financial benchmarks such as Euribor®/Eonia® along with the Short Term European Paper (STEP) transparency initiative.