

## Member Notification

# EONIA Decommissioning on Variable Rate Repo (VRR)

16<sup>th</sup> July 2021

Dear Clearing Member,

**Following the decision of the ECB euro risk-free rates working group on the replacement of the euro overnight index average (EONIA), LCH SA is pleased to announce a switch to use exclusively the €STR (Euro Short Term Rate) benchmark for EUR .**

We hereby inform you that any VRR trades, submitted to LCH SA for clearing, which reference EONIA and have a maturity date beyond **15<sup>th</sup> October 2021** will not be accepted for clearing.

Since the end of October 2019, LCH SA has been accepting VRR trades indexed on €STR as well as EONIA. Although EONIA will continue to be published until 3<sup>rd</sup> January 2022, the ECB recommends **not** to trade any products indexed on EONIA close to its decommission date.

LCH SA strongly recommends that any new VRR trades submitted for clearing reference €STR instead of EONIA, as of today and going forward.

Please contact us should you need more information:

[repoclearclientserviceSA@lch.com](mailto:repoclearclientserviceSA@lch.com)

Kind Regards,

LCH SA

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