

# Benchmark Rates Liquidity Monitor

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January 2022 | Issue 12

This is the final edition of the Benchmark Rates Liquidity Monitor.

ESTR trading volumes recovered in January, but not as much as EURIBOR did. SOFR trade count increased significantly and for the first time overtook USD LIBOR trade count. GBP LIBOR and JPY LIBOR transitions are now completed; however, some marginal trades were still observed in January post LIBOR cessation.

## EUR

ESTR monthly trading volumes in January increased to 1,700bln, all time high figure. (**Chart 1**) according to the Swapsinfo data. EURIBOR volumes moved higher at a faster rate and reached 7,400 bln. USD. Monthly trade count came back to November 2021 levels for both rates: 5,000 and 45,000 respectively (**Chart 2**). EONIA and ESTR to EURIBOR trade count ratios continue slowly trending higher in 5Y+ tenors in the 10% - 20% range (**Chart 10**).

## GBP

The transition from GBP LIBOR to SONIA in the GBP is completed. Nevertheless, in January 2022 there were still 4bln. USD notional and 25 trades in GBP LIBOR reported according to the Swapsinfo data.

## USD

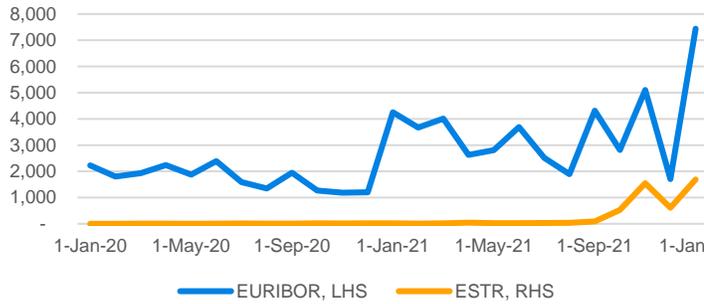
January 2022 marked the end of publishing the lesser-used USD LIBOR settings while the remaining USD LIBOR settings will continue to be published until June 2023. This month U.S. regulator-imposed restrictions on the new use of USD LIBOR, with limited exemptions for unwinds, novations and trades that reduce the USD LIBOR risk of a contract that was entered into on or prior to January 2022. With that SOFR trade volumes and trade count accelerated to new records along with an uptick in LIBOR trades as market participants transacted to reduce their LIBOR exposure (**Charts 5 and 6**). As liquidity in SOFR accelerated in the second half of 2021, market participants have shifted away from Fed Funds into SOFR (**Charts 17 and 18**).

## JPY

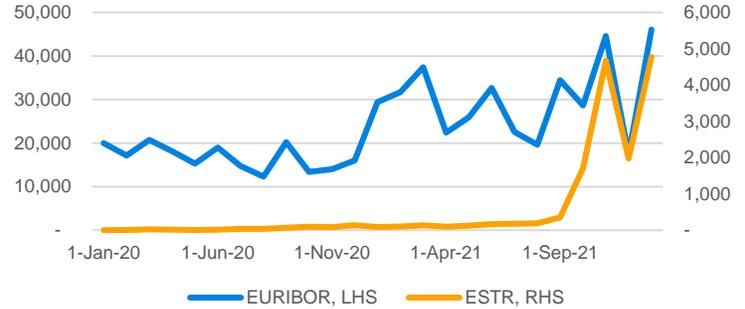
For the JPY LIBOR market, the transition from JPY LIBOR to TONA is now completed. Like the GBP market, in January 2022, there were still 1bln. USD notional and 26 trades in JPY LIBOR reported according to the Swapsinfo data.

IRS AND OIS TOTAL LIQUIDITY

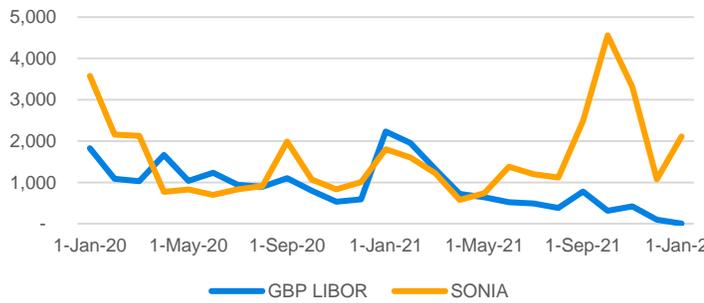
1: EURIBOR AND ESTR MONTHLY TRADING VOLUME (USD BLN)



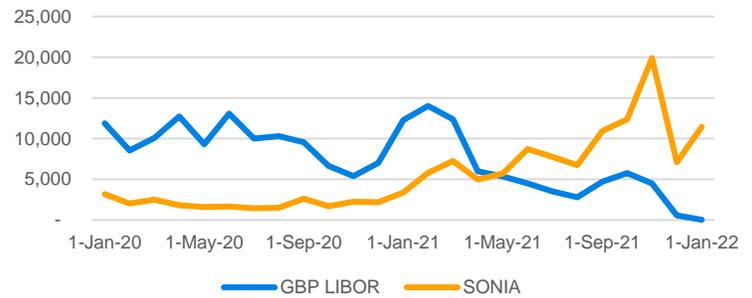
2: EURIBOR AND ESTR MONTHLY TRADE COUNT



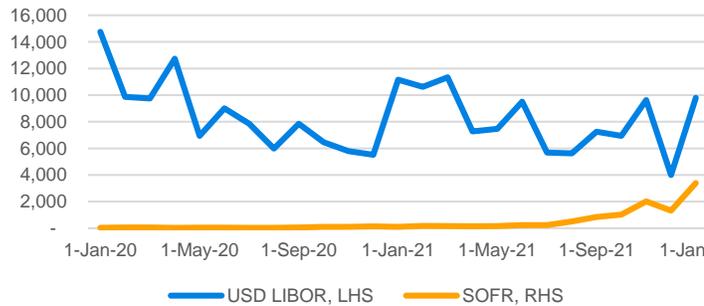
3: GBP LIBOR AND SONIA MONTHLY TRADING VOLUME (USD BLN)



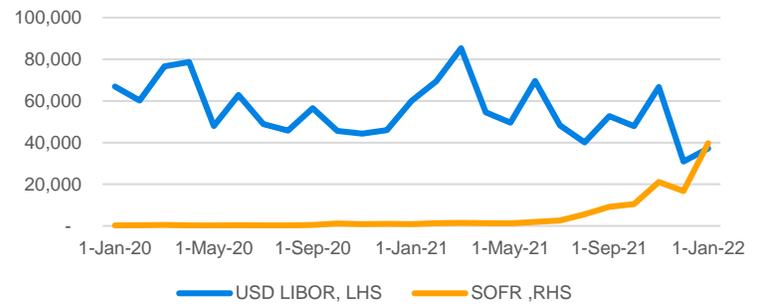
4: GBP LIBOR AND SONIA MONTHLY TRADE COUNT



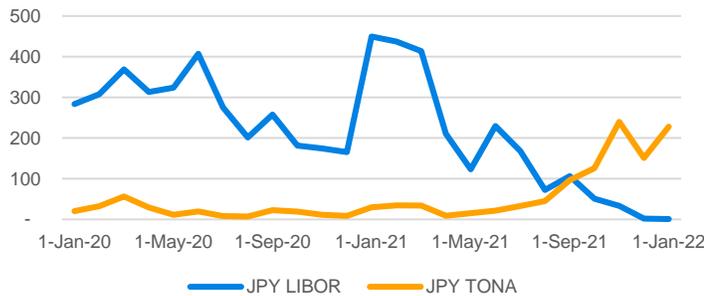
5: USD LIBOR AND SOFR MONTHLY TRADING VOLUME (USD BLN)



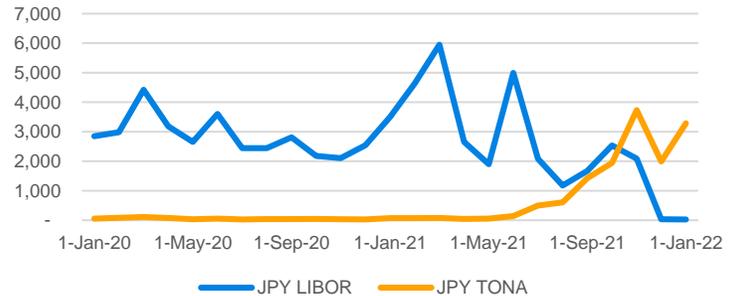
6: USD LIBOR AND SOFR MONTHLY TRADE COUNT



7: JPY LIBOR AND TONA MONTHLY TRADING VOLUME (USD BLN)

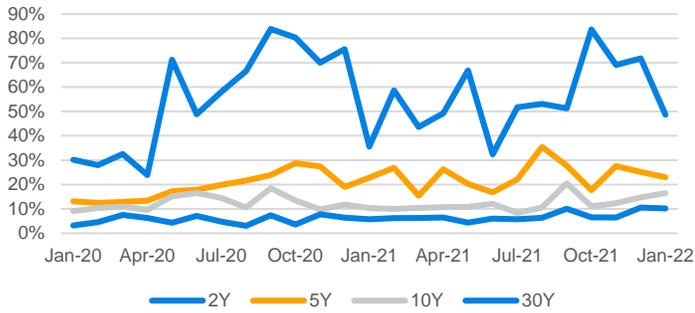


8: JPY LIBOR AND TONA MONTHLY TRADE COUNT

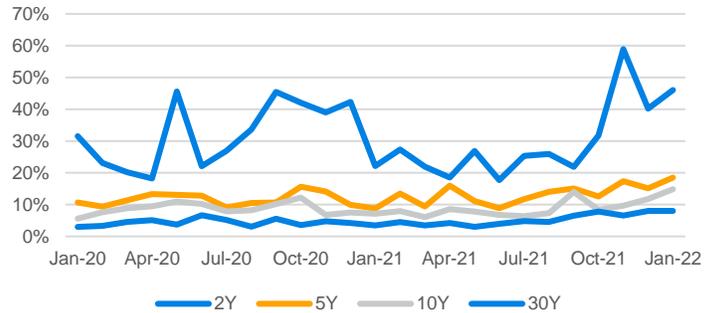


IRS AND OIS LIQUIDITY PER TENOR

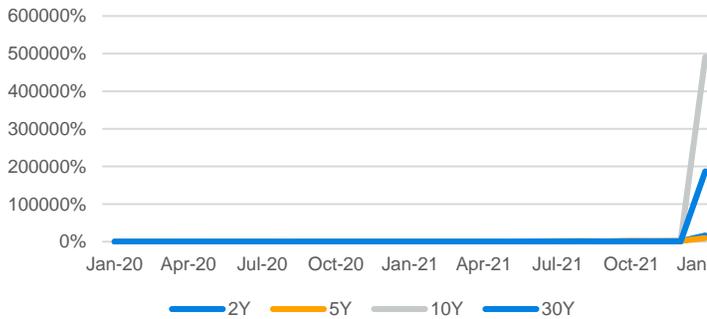
9: ESTR OIS TO EURIBOR IRS MONTHLY VOLUME RATIO



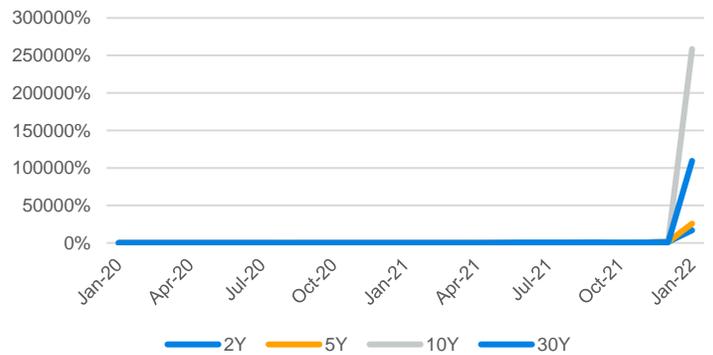
10: ESTR OIS TO EURIBOR IRS MONTHLY TRADE COUNT RATIO



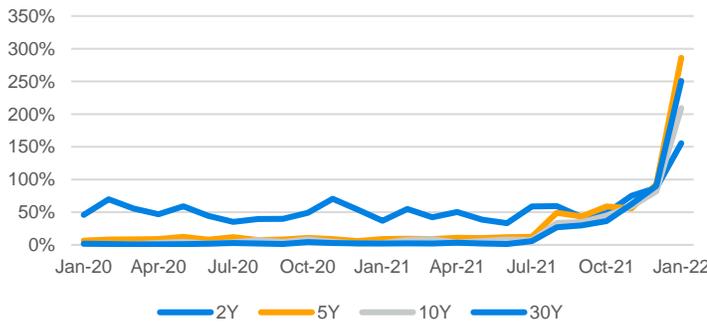
11: SONIA OIS TO GBP LIBOR IRS MONTHLY VOLUME RATIO



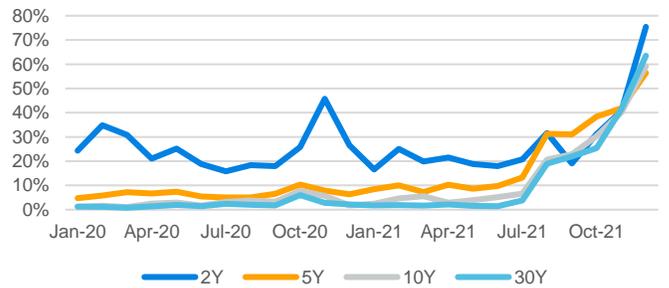
12: SONIA OIS TO GBP LIBOR IRS MONTHLY TRADE COUNT RATIO



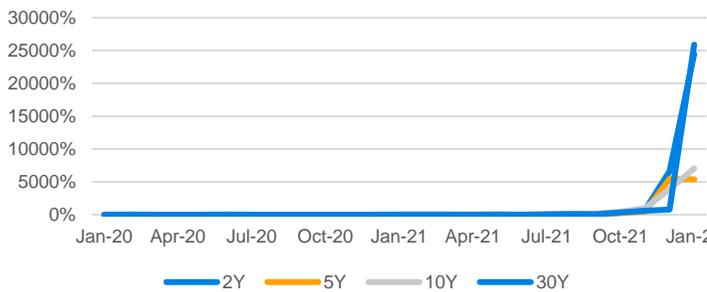
13: OIS TO USD LIBOR IRS MONTHLY VOLUME RATIO



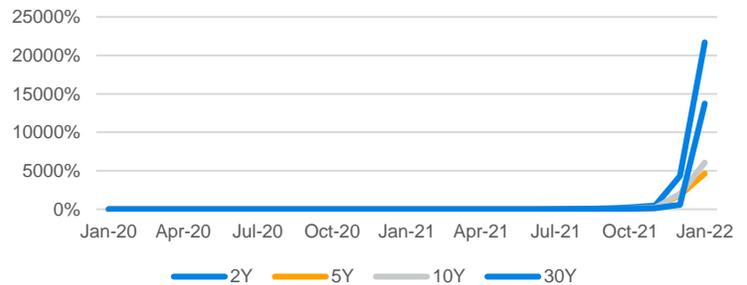
14: OIS TO USD LIBOR IRS MONTHLY TRADE COUNT RATIO



15: OIS TO JPY LIBOR IRS MONTHLY VOLUME RATIO

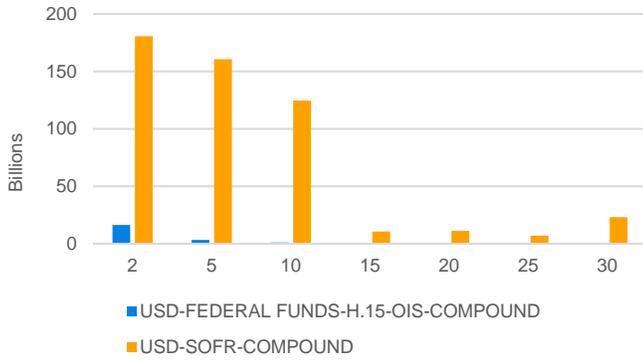


16: OIS TO JPY LIBOR IRS MONTHLY TRADE COUNT RATIO

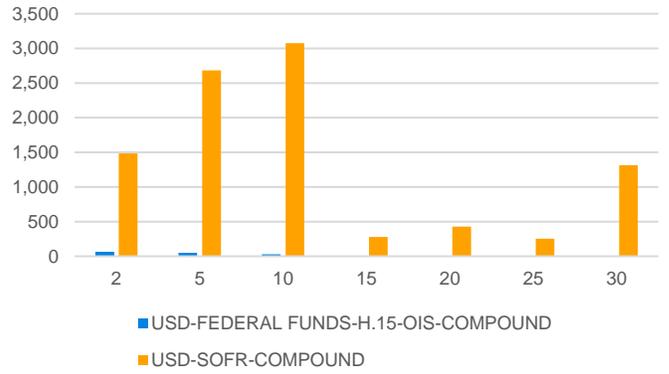


USD OIS LIQUIDITY - JANUARY 2022

17: FED FUNDS VS SOFR TRADE VOLUME PER TENOR (USD BLN)



18: FED FUNDS VS SOFR TRADE COUNT PER TENOR



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