

SIX Swiss Exchange message no. 21/2022

Subject	Listing, Trading and Settlement of Floating Rate Notes based on reference rates in USD, EUR and GBP from 8 August 2022
Category	Trading and Products
Authorized by	Alain Picard, Head Products Rebecca Stasolla, Head Change Delivery
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Information 

Content of this message:

- Listing, trading and settlement of **Floating Rates Notes (FRN) based on reference rates** in additional currencies from **8 August 2022**
- No adjustment in issuer and trading regulations of SIX Swiss Exchange AG
- Test phase in the Membertest environment with dedicated test-only securities
- Introduction to the Membertest environment planned on **25 July 2022**, and to the Production environment on **8 August 2022**

The Swiss Stock Exchange is pleased to inform issuers and participants of the **expansion of the product range in the bond market from 8 August 2022**.

Floating Rate Notes based on reference rates

Since the introduction of the [SWXess Maintenance Release 9.1](#) (SMR9.1) in June 2021, SIX Swiss Exchange AG has offered listing, trading and settlement of Floating Rate Notes (FRNs) based on the Swiss franc (CHF) reference rate [SARON](#) (Swiss Average Rate Overnight).

From 8 August 2022, the Swiss Stock Exchange will also offer, at the request of participants, listing, trading and settlement of Floating Rate Notes (FRNs) based on the following reference rates:

Currency	Reference rate
United States Dollar (USD)	SOFR — Secured Overnight Financing Rate
European Euro (EUR)	€STR — Euro Short-Term Rate
Great Britain Pound (GBP)	SONIA — Sterling Overnight Index Average

The listing of Floating Rate Notes (FRNs) based on reference rates in all supported currencies may be requested only via [CONNEXOR](#). Further information is available in [Connexor Service Notice No. 08/2022](#).

The trading and settlement of FRNs in USD, EUR and GBP is conducted in accordance with the rules of the trading segment “Bonds – Non-CHF” in line with Annex O of the [“Trading Parameters” Guideline](#).

The accrued interest calculation for Floating Rate Notes in USD, EUR and GBP relies on the same principle as products based on the SARON reference rate (observation period with “shift” and not “lag”) and is described further in section 3.1.6 of the [SMR9.1 – Participant Readiness](#) brochure.

Trading Regulations

The introduction of Floating Rate Notes (FRNs) based on the reference rates in USD, EUR and GBP does not affect the issuer and trading regulations of SIX Swiss Exchange AG. The applicable regulations may be found under the following links:

- [Issuer Regulations](#)
- [Trading Regulations](#)

Specifications of SWXess interfaces

The introduction of Floating Rate Notes (FRNs) based on reference rates in USD, EUR and GBP does not affect the trading, reference and market data interfaces of the SWXess trading platform and does not require mandatory adjustments on the part of participants, ISVs and ASPs.

The applicable specifications of the SWXess interfaces may be found in the [Member Section](#) of the Swiss Stock Exchange.

Rollout

The rollout to the Membertest and Production environment has been scheduled for the following dates:

Date	Activity
25 July 2022	Introduction and the expected first trading day in the Membertest environment
8 August 2022	Introduction and the expected first trading day in the Production environment
15 August 2022	Contingency date for the rollout and the expected first trading day in the Production environment

For the introduction of Floating Rate Notes based on reference rates in USD, EUR and GBP, no migration activities on the part of participants are required and the upgrade of the affected SWXess applications transparent.

Testing

The Swiss Stock Exchange will facilitate the testing of the new Floating Rate Notes (FRNs) based on reference rates in USD, EUR and GBP during the Membertest phase by setting up dedicated instruments only for testing. Please note that these instruments are meant only for testing and will not be available in the Production environment. Below you will find the relevant information for the test-instruments:

Attribute	FRN in USD	FRN in EUR	FRN in GBP
ISIN (isin)	US1111133336	DE1111111115	GB1111122229
Currency (tradingCurrency)	USD	EUR	GBP
Market (securityExchange)	XSWX	XSWX	XSWX
First Trading Day (firstTradingDate)	25.07.2022	25.07.2022	25.07.2022
Last Trading Day (lastTradingDate)	04.08.2022	04.08.2022	04.08.2022
Traded Instrument (securityTypeCode)	RF	RF	RF

Attribute	FRN in USD	FRN in EUR	FRN in GBP
Trading Segment	581	581	581
Settlement Segment (clearingSettlementSegmentCode)	IBNC	IBNC	IBNC

Should you have any questions about listing, trading or settlement of Floating Rate Notes (FRNs) based on reference rates or need more information, please reach out to your [contact person for bonds](#).

SIX Swiss Exchange AG continuously strives to expand and improve its range of services and products, as well as its SWXess trading platform. Our participants can benefit from the improvements which will ensure continued efficiency in trading on the exchange.

If you have any questions, please do not hesitate to contact Member Services:

Phone: +41 58 399 2473

E-mail: member.services@six-group.com

Links to SIX Swiss Exchange AG:

www.six-group.com | [Member Section](#) | [Forms](#) | [Rules](#) | [Directives](#)