



We are now Refinitiv, formerly the Financial and Risk business of Thomson Reuters. We've set a bold course for the future – both ours and yours – and are introducing our new brand to the world.

As our brand migration will be gradual, you will see traces of our past through documentation, videos, and digital platforms.

Thank you for joining us on our brand journey.



REFINITIVTM 

The Refinitiv logo, featuring the word 'REFINITIV' in a bold, black, sans-serif font, followed by a trademark symbol (TM) and a blue graphic symbol. The symbol is a stylized 'R' composed of two perpendicular lines of equal length, with the top-right corner cut off at a 45-degree angle.

European Benchmark Regulation

FAQs

Thomson Reuters Benchmark Services Limited (TRBSL) is now an authorized Benchmark Administrator under the EU Benchmark Regulation. TRBSL administers a number of benchmarks used globally. We have a long history of creating robust benchmarks with integrity, transparency and trust which may be of interest to you.

What is EU BMR?

The FCA describes EU BMR as:

New European legislation [which] will regulate the provision of, contribution to and use of a wide set of benchmarks.

The aim of the legislation is to ensure the reliability of benchmarks and minimize conflicts of interest in benchmark-setting processes. EU BMR builds on the IOSCO principles for financial benchmarks and applies to any benchmark used within the EU.

The legislation affects 3 broad groups:

- Benchmark Administrators – a company that provides benchmarks
- Supervised Contributors – a company provides data for a benchmark
- Benchmark Users – a market participant using a benchmark for one of the uses defined below. Supervised entities must not 'use' benchmarks in the EU unless the benchmark is provided by an authorized/registered EU administrator or is a qualifying non-EU benchmark.

<https://www.fca.org.uk/markets/benchmarks/eu-regulation>

What does EU BMR affect?

EU BMR will affect all published benchmarks and indices 'used' in the EU in financial instruments and contracts or by fund managers.

The EU Benchmark Regulation makes a distinction between an Index and benchmark. An Index is any figure that is published or made available to the public and which is regularly determined by the application of a formula or other method of calculation on the basis of the value of one or more underlying assets or prices. A Benchmark is a specific subset of Indices, and in addition to fulfill the requirements to be an index, must fulfill certain requirements to be caught by the Regulation. An Index may be considered a Benchmark if and only if it is used to:

- Determine the amount payable under a financial instrument or financial contract,
- Determine the value of a financial instrument
- Measure the performance of an investment fund for the purpose of:
 - tracking the return
 - defining the asset allocation or a portfolio, or
 - computing the performance fees

Does EU BMR affect more than just benchmarks?

EU BMR affects all data points that fulfill the definition of an Index and that are used for one of the cases defined as a benchmark.

Those using a reference rate as a Benchmark, must ensure that it is administered by an authorized Benchmark Administrator by 1 January 2020.

Entities publishing an Index that will be considered a Benchmark, must ensure the benchmarks can be used in the EU. If an entity that owns or calculates a benchmark is not authorized, we are happy to discuss options to ensure that the benchmark is EU BMR compliant.

What does EU BMR mean for you?

As a benchmark user, the regulation may mean you need to look for alternative indices and benchmarks to continue your investments, trading or investment processes.

Our guidance is to conduct an inventory of all the benchmarks or data points you use as a benchmark for transactional purposes within the EU. Then look to the [ESMA registry](#) for confirmation on whether the provider of the data is approved as an authorized Benchmark Administrator.

Does the legislation only affect Europe?

No, ESMA states:

This Regulation applies to the provision of benchmarks, the contribution of input data to a benchmark and the use of a benchmark within the Union.

Therefore, if a non-EU benchmark is used within the European Union it also needs to adhere to the regulation.

Recently, Phil Shah, Head of Thomson Reuters Indices and Benchmarks in Asia, provided [insight into what the legislation means for Asia Pacific](#).

How can Thomson Reuters help?

Central banks, national regulators and local authorities around the world look to Thomson Reuters as the pre-eminent provider of benchmarks services. Our TRBSL (Thomson Reuters Benchmark Services Limited) entity is now approved as an authorized Benchmark Administrator under the EU Benchmark Regulation.

By becoming an authorized administrator, we are one of the first index and benchmark service providers who can provide solutions which benchmark users can use with confidence.

If you need to find an alternative to your existing indices, benchmarks or data points to continue to carry out your investments in the EU we are happy to provide information on [our solutions](#).

What is TRBSL?

Thomson Reuters Benchmark Services Limited has been designated as the Administrator of regulated benchmarks for Thomson Reuters.

TRBSL is an authorized administrator under the EU Benchmark Regulation and currently administers four benchmarks:

- WM/Reuters London 4pm Closing Spot Rates
- Canadian Dollar Offered Rate ("CDOR")
- Canadian Offered Repo Rate Average ("CORRA")
- Saudi Arabian Interbank Offered Rate ("SAIBOR")

TRBSL only seems to administer 4 benchmarks; does that mean that none of the other TR indices and benchmarks can be used in the EU?

Benchmarks currently administered by Thomson Reuters will be migrated to TRBSL over time and can continue to be used until the migration is finished under the Transition Provision.

What is the Transition Provision?

The transition provision allows for firms that provided benchmarks before 30 June 2016 to continue to provide benchmarks until 31.12.2019 without needing to be authorized.