
WIBID and WIBOR Reference Rates



Information about the impact of data revision on WIBID and WIBOR Reference Rates

Q3 2023

Cyclical report on reported data revisions – extended version

Warsaw, Decemeber 2023

Comment of the GPW Benchmark Management Board on the Report

On October 20, 2023, the Administrator published, at Polish version of its website, an announcement on the delay of publication of the Reports on data revision for the interest rate benchmarks. The suspension of the publication of the Reports resulted from the inability of data contributors to complete the processes of updating their databases regarding unsecured deposit transactions.

Update of databases was related to internal audits conducted by some entities, preparation of entities for external audits of input data or ongoing verification related to them. In 2023, data contributors were subject to a mandatory external audit of input data for the WIBID and WIBOR Reference Rates and the WIRON. According to the BMR, an external audit of input data is carried out every two years. The above works led to an in-depth verification of the principles for reporting data on transactions that are input data to transaction based benchmarks and data that are used for preparing input data in the form of Model Quotes in the case of WIBID and WIBOR Reference Rates.

The update of the databases of data contributors was comprehensive and involved status verification of data contributors' counterparties determined on the basis of the FINREP Instruction. These actions allowed for the clarification of the classification of some of these counterparties and, at the same time, in case of a change in the classification of such a counterparty, to obtain information regarding the size of that counterparty as measured by employment (in the case of enterprises).

The reclassification conducted by data contributors does not fulfil the characteristics of manipulation, and updates or corrections of classification inconsistencies are a mandatory element of verification and serve data contributors as a tool for verifying the processes and tasks carried out in order to be compliant to the relevant code of conduct. In the course of the work of data contributors, the Administrator's Management Board decided that providing partial information regarding the impact of revised data on transactions made in the Q3 2023 would be unrepresentative due to the knowledge regarding the existence of objective operational conditions affecting the possibility of providing fully updated data for the Q3 2023 and for previous periods at a later date. Therefore, it has decided to postpone the publication of the Report until the full update of the transaction database by the data contributors is made.

Due to the completion of the update phase of the transaction database for the preparation of input data to the WIBID and WIBOR Reference Rates, the Administrator presents an analysis of the impact of updates made during and after Q3 2023. The Administrator's Management Board informs that except for 20 business days preceding the moment of commencement of input data delivery in the form of Model Quotes by one of the Fixing Participants, the correction impact is considered limited due to the low level of interest rates in the period the historical update is missing. Highlighting the 20-day period results from the notification by this data contributor of ongoing operational activities related to the preparation of data for this period. This data does not directly affect the determination of Model Quotes, as it does not cover the period in which the data contributor was entitled to provide Model Quotes, but it affects the Model Quotes prepared after the end of this period due to the analytical procedures defined in the Model Quote Specification¹.

Due to the delay in the publication of this Report and the time scope of the provided corrections, the Administrator's Management Board decided to publish the Report for Q3 2023 extended by the period until December 19, 2023.

¹ Data from this period is planned to be obtained after January 31, 2024, and the impact will be verified for Q4 2020 after the delivery of this data.

In order to support transparency of provision and determination of the WIBID and WIBOR Reference Rates, the Administrator presents aggregated information about the impact of the revisions of errors identified in the Input Data provided by Fixing Participants and used to determine the WIBID and WIBOR Reference Rates both in the form of Model Quotes and Committed Quotes. This document is a cyclical (quarterly) document related to possible ongoing revisions to input data during the period of providing the WIBID and WIBOR Reference Rates. Information on data revisions is incremental, i.e. it takes into account the impact of corrections in the Input Data provided in subsequent quarters of a given calendar year.

Regulations for the WIBID and WIBOR Reference Rates do not provide a process of redetermination of once determined Reference Rates, and therefore the information contained in this document does not affect the historical values of WIBID and WIBOR Reference Rates that have been published so far on the Administrator's website.

The following summary of the impact of revisions of recorded errors, including errors recorded in the transaction data used in the process of Model Quotes preparations, covers the period from 2nd January 2023 to 19th December 2023. In this period, no errors were recorded in the Committed Quotes. The analysis was carried out on the base on the transaction database as of 20th December 2023.

WIBID

Period	Affected Fixings	Affected Fixing Participants' Quotes	Fixings affected by 1 bp ¹	Fixings affected by 2 bps ¹	Fixings affected by 3 bps ¹	Fixings affected by more than 3 bps ¹	Average impact (bps) ²
Q1 2023	124	626	91	25	6	2	0,2
Q2 2023	90	510	73	12	3	2	0,2
Q3 2023	141	496	88	27	11	15	-0,3
Q4 2023 ³	83	317	54	18	4	7	0,7

Tabel No. 1

WIBOR

Period	Affected Fixings	Affected Fixing Participants' Quotes	Fixings affected by 1 bp ¹	Fixings affected by 2 bps ¹	Fixings affected by 3 bps ¹	Fixings affected by more than 3 bps ¹	Average impact (bps) ²
Q1 2023	123	626	90	25	6	2	0,2
Q2 2023	90	510	73	12	3	2	0,2
Q3 2023	141	496	88	27	11	15	-0,3
Q4 2023 ³	83	317	54	18	4	7	0,7

Tabel No. 2

¹ Impact is measured as the absolute difference between the published Fixing and the recalculated, hypothetical Fixing.

² Impact is measured as the difference between the published Fixing and the recalculated, hypothetical Fixing.

³ The 4th quarter of 2023 covers the period from October 2, 2023 to December 19, 2023.

In order to provide more insights into the structure of revisions, the Administrator provides the errors Distribution for the subsequent quarters of 2023, broken down by Fixing Tenor for WIBOR which is a critical interest rate benchmark.

- Q1 2023

Fixing Tenor	Absolute value of the impact (in p.p.) / number of cases					Average absolute impact ⁴
	0,01	0,02	0,03	0,04	> 0,04	
ON	4	2	1	-	1	0,020
TN	-	-	-	-	-	-
SW	14	1	-	-	-	0,011
2W	18	12	3	-	-	0,015
1M	28	7	2	-	1	0,014
3M	23	3	-	-	-	0,011
6M	1	-	-	-	-	0,010
1Y	2	-	-	-	-	0,010
Sum	90	25	6	-	2	0,014

Tabel No. 3. Statistics of the impact of revisions in transaction data affecting Model Quotes and errors in Committed Quotes by individual Fixing Participants on the course of the WIBOR values in Q1 2023

Fixing Tenor	Value of the impact (in p.p.) / number of cases										Average impact ⁵
	< -0,04	-0,04	-0,03	-0,02	-0,01	0,01	0,02	0,03	0,04	> 0,04	
ON	-	-	1	-	2	2	2	-	-	1	0,008
TN	-	-	-	-	-	-	-	-	-	-	-
SW	-	-	-	-	5	9	1	-	-	-	0,004
2W	-	-	1	4	8	10	8	2	-	-	0,004
1M	-	-	1	5	14	14	2	1	-	1	0,000
3M	-	-	-	1	11	12	2	-	-	-	0,001
6M	-	-	-	-	-	1	-	-	-	-	0,010
1Y	-	-	-	-	1	1	-	-	-	-	0,000
Sum	-	-	3	10	41	49	15	3	-	2	0,002

Tabel No. 4. Statistics of the impact of revisions in transaction data affecting Model Quotes and errors in Committed Quotes by individual Fixing Participants on the WIBOR. The value of the impact is calculated by subtracting the recalculated, hypothetical WIBOR values from the published WIBOR values in Q1 2023

- Q2 2023

Fixing Tenor	Absolute value of the impact (in p.p.) / number of cases					Average absolute impact ⁴
	0,01	0,02	0,03	0,04	> 0,04	
ON	5	2	-	-	-	0,013
TN	-	-	-	-	-	-
SW	13	1	-	-	-	0,011
2W	29	4	1	1	-	0,013
1M	20	5	2	1	-	0,014
3M	6	-	-	-	-	0,010
6M	-	-	-	-	-	-
1Y	-	-	-	-	-	-
Sum	73	12	3	2	-	0,013

Tabel No. 5. Statistics of the impact of revisions in transaction data affecting Model Quotes and errors in Committed Quotes by individual Fixing Participants on the course of the WIBOR values in Q2 2023

Fixing Tenor	Value of the impact (in p.p.) / number of cases										Average impact ⁵
	< -0,04	-0,04	-0,03	-0,02	-0,01	0,01	0,02	0,03	0,04	> 0,04	
ON	-	-	-	1	2	3	1	-	-	-	0,001
TN	-	-	-	-	-	-	-	-	-	-	-
SW	-	-	-	-	5	8	1	-	-	-	0,004
2W	-	-	-	3	11	18	1	1	1	-	0,003
1M	-	-	2	3	9	11	2	-	1	-	-0,001
3M	-	-	-	-	1	5	-	-	-	-	0,007
6M	-	-	-	-	-	-	-	-	-	-	-
1Y	-	-	-	-	-	-	-	-	-	-	-
Sum	-	-	2	7	28	45	5	1	2	-	0,002

Tabel No. 6. Statistics of the impact of revisions in transaction data affecting Model Quotes and errors in Committed Quotes by individual Fixing Participants on the WIBOR. The value of the impact is calculated by subtracting the recalculated, hypothetical WIBOR values from the published WIBOR values in Q2 2023

- Q3 2023

Fixing Tenor	Absolute value of the impact (in p.p.) / number of cases					Average absolute impact ⁴
	0,01	0,02	0,03	0,04	> 0,04	
ON	5	-	-	-	-	0,010
TN	-	-	-	-	-	-
SW	14	5	3	1	-	0,016
2W	30	8	3	3	-	0,015
1M	17	10	4	4	4	0,024
3M	18	4	1	-	3	0,023
6M	3	-	-	-	-	0,010
1Y	1	-	-	-	-	0,010
Sum	88	27	11	8	7	0,019

Tabel No. 7. Statistics of the impact of revisions in transaction data affecting Model Quotes and errors in Committed Quotes by individual Fixing Participants on the course of the WIBOR values in Q3 2023

Fixing Tenor	Value of the impact (in p.p.)/ number of cases										Average impact ⁵
	< -0,04	-0,04	-0,03	-0,02	-0,01	0,01	0,02	0,03	0,04	> 0,04	
ON	-	-	-	-	2	3	-	-	-	-	0,002
TN	-	-	-	-	-	-	-	-	-	-	-
SW	-	-	3	2	5	9	3	-	1	-	0,000
2W	-	3	1	4	13	17	4	2	-	-	-0,001
1M	3	2	2	3	9	8	7	2	2	1	-0,002
3M	3	-	1	3	9	9	1	-	-	-	-0,014
6M	-	-	-	-	1	2	-	-	-	-	0,003
1Y	-	-	-	-	1	-	-	-	-	-	-0,010
Sum	6	5	7	12	40	48	15	4	3	1	-0,003

Tabel No. 8. Statistics of the impact of revisions in transaction data affecting Model Quotes and errors in Committed Quotes by individual Fixing Participants on the WIBOR. The value of the impact is calculated by subtracting the recalculated, hypothetical WIBOR values from the published WIBOR values in Q3 2023

- Q4 2023

Fixing Tenor	Absolute value of the impact (in p.p.) / number of cases					Average absolute impact ⁴
	0,01	0,02	0,03	0,04	> 0,04	
ON	5	-	-	-	1	0,018
TN	-	-	-	-	-	-
SW	12	3		1	-	0,014
2W	15	7	2	1	1	0,017
1M	12	7	2	1	1	0,019
3M	10	1	-	-	1	0,014
6M	-	-	-	-	-	-
1Y	-	-	-	-	-	-
Sum	54	18	4	3	4	0,017

Tabel No. 9. Statistics of the impact of revisions in transaction data affecting Model Quotes and errors in Committed Quotes by individual Fixing Participants on the course of the WIBOR values in Q4 2023

Fixing Tenor	Value of the impact (in p.p.) / number of cases										Average impact ⁵
	< -0,04	-0,04	-0,03	-0,02	-0,01	0,01	0,02	0,03	0,04	> 0,04	
ON	-	-	-	-	1	4	-	-	-	1	0,015
TN	-	-	-	-	-	-	-	-	-	-	-
SW	-	1	-	1	4	8	2	-	-	-	0,001
2W	-	-	-	2	9	6	5	2	1	1	0,007
1M	-	1	-	2	5	7	5	2	-	1	0,007
3M	-	-	-	-	4	6	1	-	-	1	0,008
6M	-	-	-	-	-	-	-	-	-	-	-
1Y	-	-	-	-	-	-	-	-	-	-	-
Sum	-	2	-	5	23	31	13	4	1	4	0,007

Tabel No. 10. Statistics of the impact of revisions in transaction data affecting Model Quotes and errors in Committed Quotes by individual Fixing Participants on the WIBOR. The value of the impact is calculated by subtracting the recalculated, hypothetical WIBOR values from the published WIBOR values in Q4 2023

⁴ Impact is measured as the average of the absolute values of the differences for a given Fixing Date. In case of the sum row, it is the average of the absolute difference values for all Fixing Dates.

⁵ Impact is measured as the average of the difference values for a given Fixing Date. In case of the sum row, it is the average value of the difference values for all Fixing Dates.

In terms of information regarding the number of cases where differences greater than 4 basis points were recorded, it is reported that the WIBOR calculated on the updated database would have been **overstated** relative to the published one six times during the period under review, including twice by 0.06 p.p. and once by 0.07 p.p., 0.08 p.p., 0.09 p.p., 0.15 p.p. These differences concern three cases for the 1M Fixing Term and three for the 3M Fixing Term.

In terms of the number of cases where differences greater than 4 basis points were recorded, the WIBOR calculated on the updated database would have been **understated** relative to the published one seven times during the period under review, including three times by 0.05 p.p. and three times by 0.06 p.p. and once by 0.07 p.p. for O/N, 2W, 1M and 3M Fixing Terms. These differences concern

three cases for the 1M Fixing Term and two for the O/N Fixing Term and one case for the 2W and 3M Fixing Term.

In case of updating of historical transaction data by Fixing Participants, the presented statistics may change.