

Transaction-based Interest Rate Benchmarks



Information about the impact of correction of errors on WIRON index

Q4 2023

Cyclical report on reported data revisions

Warsaw, January 2024

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 delay of the publication of the Reports resulted from the data contributors' inability 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 those processes. 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, and in case of the introduction of a new Code of Conduct, 6 months after the start of the determination of a new interest rate index as an interest rate benchmark. The above mentioned actions 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 any time by data contributors does not fulfil the characteristics of manipulation, and the updates or corrections of classifications' inconsistencies are a obligatory 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 data revision processes, Administrator decided not to provide a partial information regarding the impact of revised data on transactions made in the Q3 2023 as it could be unrepresentative due to 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 been decided to postpone the publication of the Report until the full update of the transaction database by the data contributors is made.

Data contributors carried out important reclassification processes where data acquisition procedures required adjustments which primarily concerned the enterprise segment, where the classification rule resulting from the FINREP Instruction determines the employment element at the end of the fiscal year as the basis for classifying enterprises as large or small and medium-sized enterprises. The update of the transaction database following the revision of the transaction data reporting rules under the FINREP Instruction showed a historically persistent by average positive impact of database revisions carried out by data contributors on the WIRON, including the average value of the WIRON benchmark. This results primarily from the transition of transactional data between data categories related to enterprises¹.

The direction and the scale of differences between the hypothetical WIRON values and the historical WIRON values were not constant over time, but are on average slightly positive in terms of the index level over the entire analysis period, and in 2023 they exceed the historical WIRON on average almost by 7 bps.

¹ After the revision the outflow of data has been observed due to the reclassification of large enterprises to medium and small enterprises.

It should be noted that the magnitude of changes in the WIRON benchmark results from the variability of the WIRON benchmark - the higher the variability of the benchmark, especially if it is based on a broad market of input data influenced by various specific factors, the greater the impact of data revisions affecting some subsets of that data. In case of interest rate benchmarks with more concentrated distributions, i.e. less interest rate dispersion, the benchmarks have less volatility and data revisions affect them on a smaller scale.

It cannot be guaranteed that no database updates will take place in the future, neither the scale of the impact of such changes is possible to be evaluated, however, due to the clarification of some of the rules for updating data under the FINREP Instruction and external audits of input data carried out in 2023 under the new legal regime, significant reporting rules have been unified. This will limit the risk of further significant database updates.

In order to ensure the transparency of provision and determination of WIRON index, the Administrator presents this report on reported data revisions regarding the impact of the revisions of errors identified in the input data on the index' history. This document is a cyclical (quarterly) document related to possible ongoing revisions to input data during the period of providing the WIRON index. 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.

The following information on the impact of input data revisions applies to the period from 2nd January 2023 to 29th December 2023 - therefore, it covers a four-month publication period resulting from the timing of the entry into force of the WIRON index.

The extraordinary report on reported data revisions is of informational character and does not constitute the revision of the historical WIRON data. The information provided concerns instances not less than 0.001 pp. In order to avoid any doubts the recalculation and redistribution of the WIRON index data could take place only when the conditions set out by the Rules are met².

Tabel 1 presents the differences of the hypothetical WIRON values in relation to the historical WIRON values broken down by scale of the differences. Information on the impact of input data revision includes corrections from all data contributors on a given date. If there are several corrections to the input data affecting the value of the index on a given day, all their reasons are listed in the Reason column.

Ref. No.	Date	Absolute value of difference of the impact of correction of the input data on the index value (in pp)				Reason
		0.001 ≤ impact ≤ 0.005	0.005 < impact ≤ 0.010	0.010 < impact ≤ 0.020	0.020 < impact	
1	2023-01-02				✓	Data correction
2	2023-01-03				✓	Data correction
3	2023-01-04				✓	Data correction
4	2023-01-05				✓	Data correction
5	2023-01-09				✓	Data correction
6	2023-01-10				✓	Data correction
7	2023-01-11				✓	Data correction
8	2023-01-12				✓	Data correction
9	2023-01-13				✓	Data correction
10	2023-01-16				✓	Data correction
11	2023-01-17				✓	Data correction
12	2023-01-18				✓	Data correction
13	2023-01-19				✓	Data correction
14	2023-01-20				✓	Data correction

² See point 4 of [the Rules of the WIRON Interest Rate Index](#)

15	2023-01-23				✓	Data correction
16	2023-01-24				✓	Data correction
17	2023-01-25				✓	Data correction
18	2023-01-26				✓	Data correction
19	2023-01-27				✓	Data correction
20	2023-01-30				✓	Data correction
21	2023-01-31	✓				Data correction
22	2023-02-01				✓	Data correction
23	2023-02-02				✓	Data correction
24	2023-02-03				✓	Data correction
25	2023-02-06				✓	Data correction
26	2023-02-07				✓	Data correction
27	2023-02-08				✓	Data correction
28	2023-02-09				✓	Data correction
29	2023-02-10				✓	Data correction
30	2023-02-13				✓	Data correction
31	2023-02-14				✓	Data correction
32	2023-02-15				✓	Data correction
33	2023-02-16				✓	Data correction
34	2023-02-17				✓	Data correction
35	2023-02-20				✓	Data correction
36	2023-02-21				✓	Data correction
37	2023-02-22				✓	Data correction
38	2023-02-23				✓	Data correction
39	2023-02-24				✓	Data correction
40	2023-02-27				✓	Data correction
41	2023-02-28				✓	Data correction
42	2023-03-01				✓	Data correction
43	2023-03-02				✓	Data correction
44	2023-03-03				✓	Data correction
45	2023-03-06				✓	Data correction
46	2023-03-07				✓	Data correction
47	2023-03-08				✓	Data correction

48	2023-03-09				✓	Data correction
49	2023-03-10				✓	Data correction
50	2023-03-13				✓	Data correction
51	2023-03-14				✓	Data correction
52	2023-03-15				✓	Data correction
53	2023-03-16				✓	Data correction
54	2023-03-17				✓	Data correction
55	2023-03-20				✓	Data correction
56	2023-03-21				✓	Data correction
57	2023-03-22				✓	Data correction
58	2023-03-23				✓	Data correction
59	2023-03-24				✓	Data correction
60	2023-03-27				✓	Data correction
61	2023-03-28				✓	Data correction
62	2023-03-29				✓	Data correction
63	2023-03-30				✓	Data correction
64	2023-03-31				✓	Data correction
65	2023-04-03				✓	Data correction
66	2023-04-04				✓	Data correction
67	2023-04-05				✓	Data correction
68	2023-04-06				✓	Data correction
69	2023-04-07				✓	Data correction
70	2023-04-11				✓	Data correction
71	2023-04-12				✓	Data correction
72	2023-04-13				✓	Data correction
73	2023-04-14				✓	Data correction
74	2023-04-17				✓	Data correction
75	2023-04-18				✓	Data correction
76	2023-04-19				✓	Data correction
77	2023-04-20				✓	Data correction
78	2023-04-21				✓	Data correction
79	2023-04-24				✓	Data correction
80	2023-04-25				✓	Data correction

81	2023-04-26			✓		Data correction
82	2023-04-27			✓		Data correction
83	2023-04-28				✓	Data correction
84	2023-05-02				✓	Data correction
85	2023-05-04			✓		Data correction
86	2023-05-05				✓	Data correction
87	2023-05-08				✓	Data correction
88	2023-05-09				✓	Data correction
89	2023-05-10				✓	Data correction Delayed data delivery
90	2023-05-11				✓	Data correction
91	2023-05-12				✓	Data correction
92	2023-05-15				✓	Data correction
93	2023-05-16				✓	Data correction
94	2023-05-17				✓	Data correction
95	2023-05-18				✓	Data correction
96	2023-05-19				✓	Data correction
97	2023-05-22				✓	Data correction
98	2023-05-23				✓	Data correction
99	2023-05-24				✓	Data correction
100	2023-05-25				✓	Data correction
101	2023-05-26				✓	Data correction
102	2023-05-29				✓	Data correction
103	2023-05-30				✓	Data correction
104	2023-05-31			✓		Data correction
105	2023-06-01				✓	Data correction
106	2023-06-02		✓			Data correction
107	2023-06-05				✓	Data correction
108	2023-06-06				✓	Data correction
109	2023-06-07				✓	Data correction
110	2023-06-09				✓	Data correction
111	2023-06-12				✓	Data correction
112	2023-06-13				✓	Data correction

113	2023-06-14				✓	Data correction
114	2023-06-15				✓	Data correction
115	2023-06-16				✓	Data correction
116	2023-06-19				✓	Data correction
117	2023-06-20				✓	Data correction
118	2023-06-21				✓	Data correction
119	2023-06-22				✓	Data correction
120	2023-06-23				✓	Data correction
121	2023-06-26				✓	Data correction
122	2023-06-27				✓	Data correction
123	2023-06-28				✓	Data correction
124	2023-06-29				✓	Data correction
125	2023-06-30			✓		Data correction
126	2023-07-03				✓	Data correction
127	2023-07-04				✓	Data correction
128	2023-07-05				✓	Data correction
129	2023-07-06				✓	Data correction
130	2023-07-07				✓	Data correction
131	2023-07-10				✓	Data correction
132	2023-07-11				✓	Data correction
133	2023-07-12			✓		Data correction
134	2023-07-13				✓	Data correction
135	2023-07-14				✓	Data correction
136	2023-07-17				✓	Data correction
137	2023-07-18				✓	Data correction
138	2023-07-19				✓	Data correction
139	2023-07-20				✓	Data correction
140	2023-07-21				✓	Data correction
141	2023-07-24				✓	Data correction
142	2023-07-25				✓	Data correction
143	2023-07-26				✓	Data correction
144	2023-07-27				✓	Data correction
145	2023-07-28				✓	Data correction

146	2023-07-31				✓	Data correction
147	2023-08-01				✓	Data correction
148	2023-08-02				✓	Data correction
149	2023-08-03				✓	Data correction
150	2023-08-04				✓	Data correction
151	2023-08-07				✓	Data correction
152	2023-08-08				✓	Data correction
153	2023-08-09				✓	Data correction
154	2023-08-10				✓	Data correction
155	2023-08-11				✓	Data correction
156	2023-08-14				✓	Data correction
157	2023-08-16				✓	Data correction
158	2023-08-17				✓	Data correction
159	2023-08-18				✓	Data correction
160	2023-08-21				✓	Data correction
161	2023-08-22				✓	Data correction
162	2023-08-23				✓	Data correction
163	2023-08-24				✓	Data correction
164	2023-08-25				✓	Data correction
165	2023-08-28				✓	Data correction
166	2023-08-29				✓	Data correction
167	2023-08-30				✓	Data correction Delayed data delivery
168	2023-08-31				✓	Data correction
169	2023-09-01		✓			Data correction
170	2023-09-04				✓	Data correction
171	2023-09-05				✓	Data correction
172	2023-09-06			✓		Data correction
173	2023-09-07				✓	Data correction
174	2023-09-08				✓	Data correction
175	2023-09-11				✓	Data correction
176	2023-09-12				✓	Data correction
177	2023-09-13			✓		Data correction

178	2023-09-14			✓		Data correction
179	2023-09-15				✓	Data correction
180	2023-09-18		✓			Data correction
181	2023-09-19		✓			Data correction
182	2023-09-20	✓				Data correction
183	2023-09-21		✓			Data correction
184	2023-09-22		✓			Data correction
185	2023-09-25			✓		Data correction
186	2023-09-26		✓			Data correction
187	2023-09-27	✓				Data correction
188	2023-09-28				✓	Data correction
189	2023-09-29			✓		Data correction
190	2023-10-02				✓	Data correction
191	2023-10-03				✓	Data correction Delayed data delivery
192	2023-10-04			✓		Data correction
193	2023-10-05				✓	Data correction
194	2023-10-06			✓		Data correction
195	2023-10-09		✓			Data correction
196	2023-10-10		✓			Data correction
197	2023-10-11		✓			Data correction
198	2023-10-12	✓				Data correction
199	2023-10-13			✓		Data correction
200	2023-10-16				✓	Data correction
201	2023-10-17				✓	Data correction
202	2023-10-18			✓		Data correction
203	2023-10-19				✓	Data correction
204	2023-10-20				✓	Data correction
205	2023-10-23				✓	Data correction
206	2023-10-24				✓	Data correction
207	2023-10-25			✓		Data correction
208	2023-10-26			✓		Data correction
209	2023-10-27				✓	Data correction

210	2023-10-30				✓	Data correction
211	2023-10-31				✓	Data correction
212	2023-11-02				✓	Data correction
213	2023-11-03				✓	Data correction
214	2023-11-06				✓	Data correction
215	2023-11-07				✓	Data correction
216	2023-11-08				✓	Data correction
217	2023-11-09	✓				Data correction
218	2023-11-10	✓				Data correction
219	2023-11-13				✓	Data correction
220	2023-11-14				✓	Data correction
221	2023-11-15				✓	Data correction
222	2023-11-16				✓	Data correction
223	2023-11-17				✓	Data correction
224	2023-11-20				✓	Data correction
225	2023-11-21				✓	Data correction
226	2023-11-22				✓	Data correction
227	2023-11-23				✓	Data correction
228	2023-11-24				✓	Data correction
229	2023-11-27				✓	Data correction
230	2023-11-28				✓	Data correction
231	2023-11-29				✓	Data correction
232	2023-11-30		✓			Data correction
233	2023-12-01				✓	Data correction
234	2023-12-04				✓	Data correction
235	2023-12-05			✓		Data correction
236	2023-12-06		✓			Data correction
237	2023-12-07		✓			Data correction
238	2023-12-08				✓	Data correction
239	2023-12-11		✓			Data correction
240	2023-12-12	✓				Data correction
241	2023-12-22	✓				Data correction

Tabel No. 1 Disaggregated data – impact presented on the daily basis; period from 2nd January 2023 to 29th December 2023

For 201 index dates, the absolute value of difference of the impact of correction of the input data on the index value were more than 0.02 pp. In the set of these dates, the average absolute value of the impact was 0.083 pp, the median was 0.079 pp, and the maximum recorded deviation was 0.246 pp. The lower quartile of the distribution of deviations in this set was 0.054 pp, and the upper quartile was 0.101 pp.