

Benchmark Rates Liquidity Monitor

May 2021 | Issue 5

ESTR volumes in May dropped from the pick-up in April, with EURIBOR swaps trading volumes remaining stable. SONIA volumes are now well above GBP LIBOR swaps trading across all tenors, including the short-end of the curve. The ratio of USD OIS to USD LIBOR trading remained the same in May.

EUR

ESTR monthly trading volume in May dropped from 45bln to 20bln according to the Swapsinfo data. At the same time monthly trade count remained in the usual range of 100 – 150 trades.

Trading volumes in ESTR swaps in key tenors relative to EONIA swaps continue to improve: in May they were almost matching in 10Y, 20Y and 30Y points. The trade count in ESTR is yet to match EONIA across these tenors.

GBP

In May it was the first time on record when SONIA trading volumes overtook GBP LIBOR according to Swapsinfo data. The ratio of SONIA to GBP LIBOR trade count continued to increase: SONIA swaps across all tenors account now for more than 100% of GBP LIBOR swaps. Especially noticeable is the pick-up in the activity in 5Y point with SONIA to GBP LIBOR trading volumes ratios at almost 400%.

The recently released PRA (UK regulator) [assessment](#) on SONIA liquidity, now also considers this market to be deep and liquid for key tenors up to 50 years.

USD

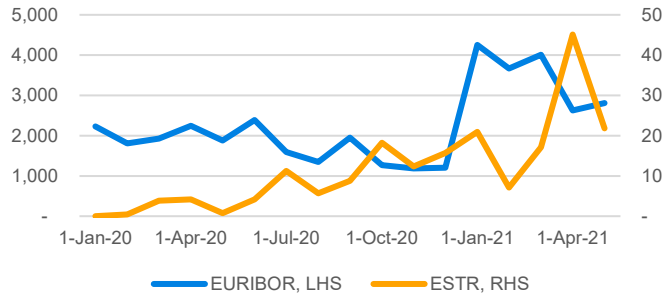
In May, SOFR monthly trading volume rose 11% to 169 bln, according to Swapsinfo data.

Over the month, the ratio of OIS to USD LIBOR trading volumes and trade count remained relatively stable across the 5Y to 30Y tenors. However, for the 2Y tenor, the ratio of OIS (Fed Funds and SOFR) to USD LIBOR trading volumes declined from 50% to 39% along with OIS to USD LIBOR trade count from 21% to 19%.

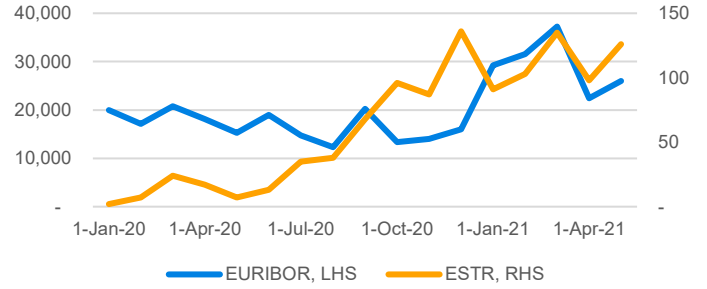
SOFR trade volumes remain concentrated at the short end of the curve. Trading volumes in 30Y tenor SOFR continued to slightly surpass Fed Funds volumes.

IRS AND OIS TOTAL LIQUIDITY

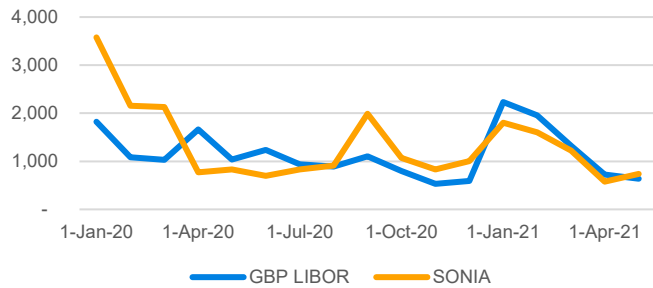
1: EURIBOR AND ESTR MONTHLY TRADING VOLUME (USD BLN)



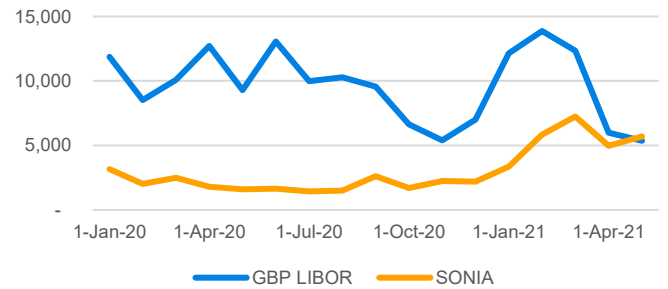
2: EURIBOR AND ESTR MONTHLY TRADE COUNT



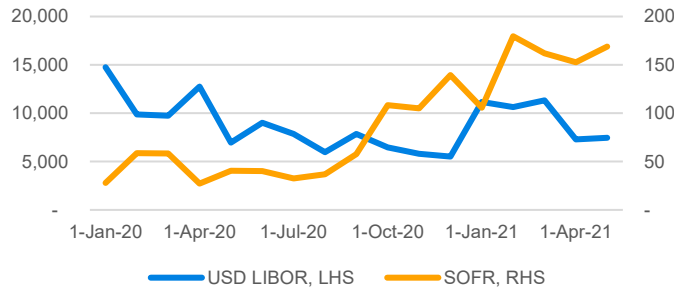
3: GBP LIBOR AND SONIA MONTHLY TRADING VOLUME (USD BLN)



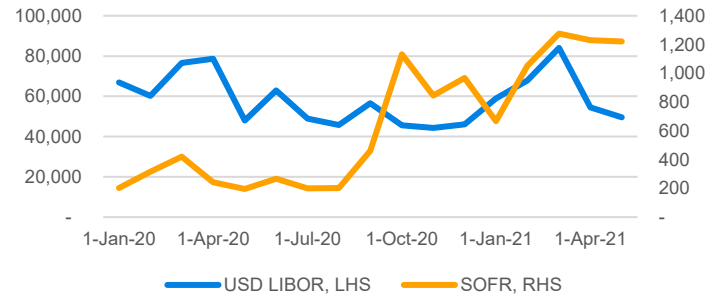
4: GBP LIBOR AND SONIA MONTHLY TRADE COUNT



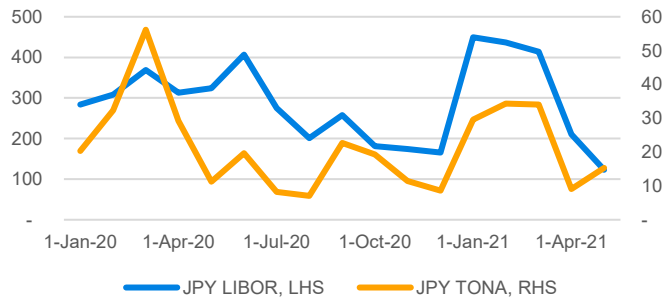
5: USD LIBOR AND SOFR MONTHLY TRADING VOLUME (USD BLN)



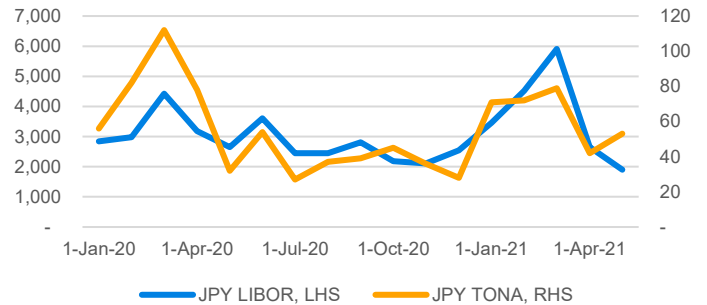
6: USD LIBOR AND SOFR MONTHLY TRADE COUNT



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

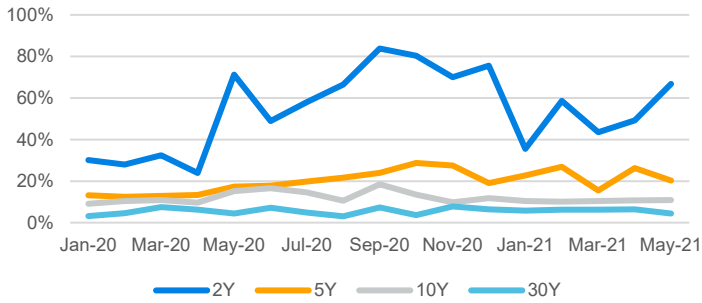


8: JPY LIBOR AND TONA MONTHLY TRADE COUNT

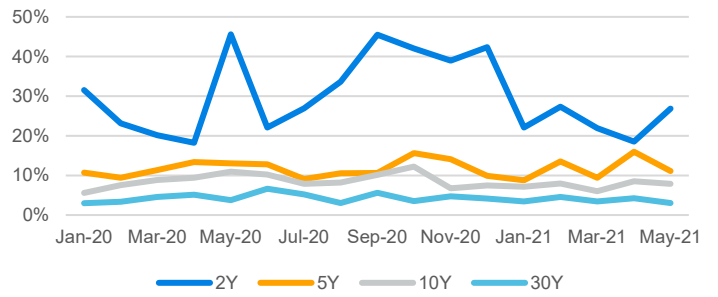


IRS AND OIS LIQUIDITY PER TENOR

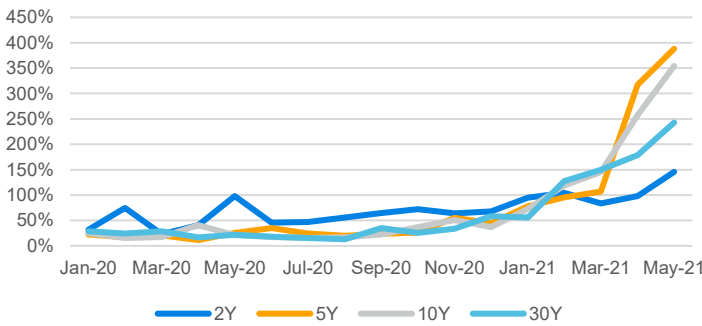
9: ESTR AND EONIA OIS TO EURIBOR IRS MONTHLY VOLUME RATIO



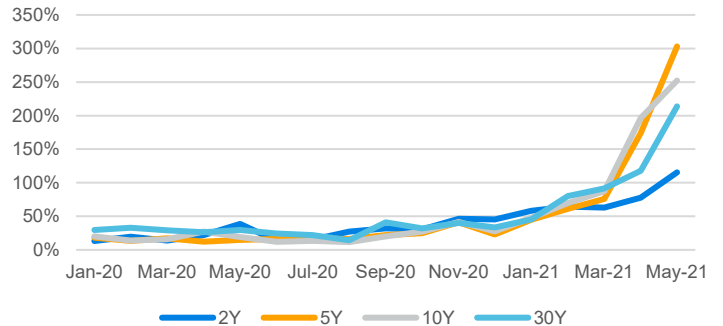
10: ESTR AND EONIA OIS TO EURIBOR IRS MONTHLY TRADE COUNT RATIO



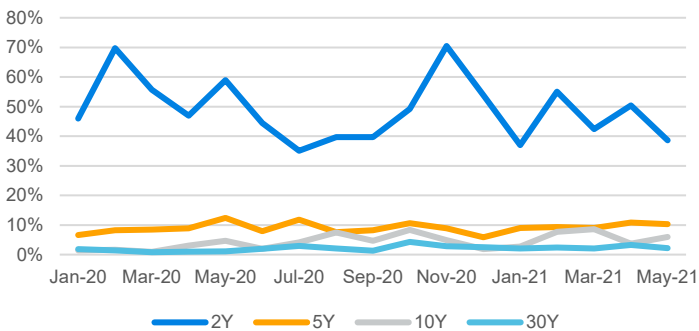
11: SONIA OIS TO GBP LIBOR IRS MONTHLY VOLUME RATIO



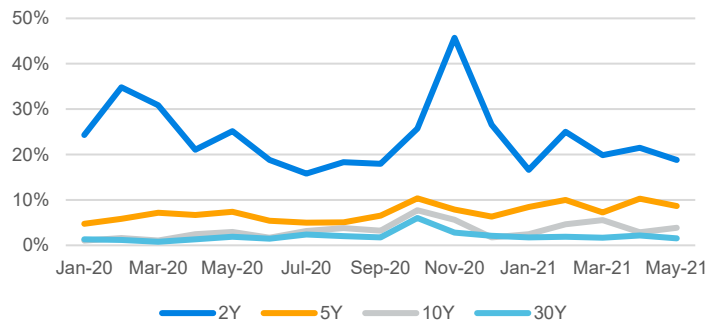
12: SONIA OIS TO GBP LIBOR IRS MONTHLY TRADE COUNT RATIO



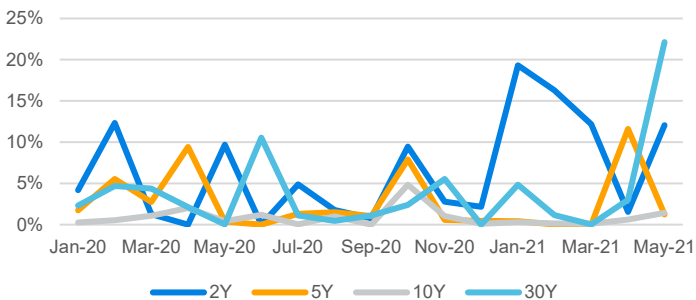
13: OIS TO USD LIBOR IRS MONTHLY VOLUME RATIO



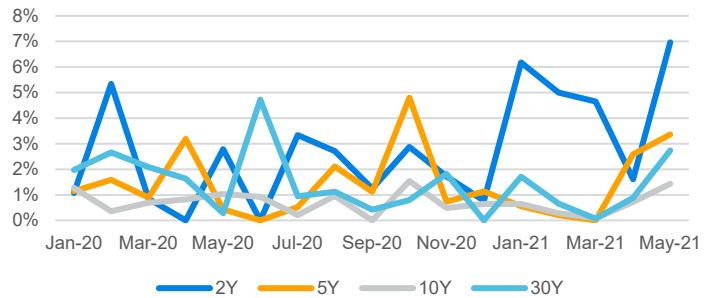
14: OIS TO USD LIBOR IRS MONTHLY TRADE COUNT RATIO



15: OIS TO JPY LIBOR IRS MONTHLY VOLUME RATIO

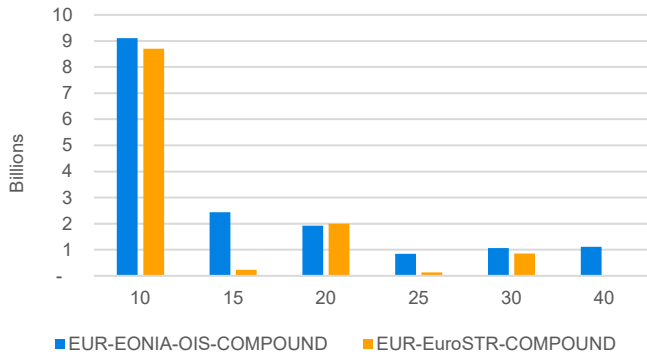


16: OIS TO JPY LIBOR IRS MONTHLY TRADE COUNT RATIO

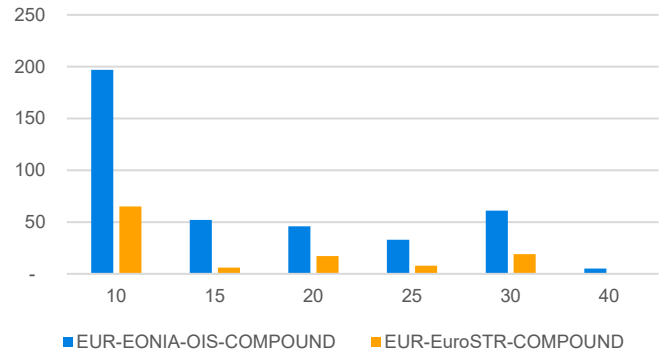


EUR OIS LIQUIDITY - MAY 2021

17: ESTR VS EONIA TRADE VOLUME PER TENOR (EUR BLN)

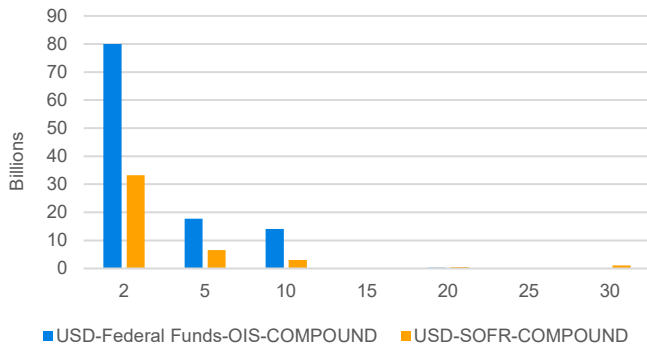


18: ESTR VS EONIA TRADE COUNT PER TENOR

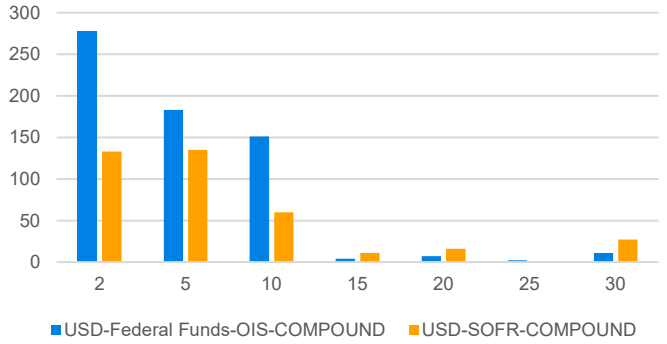


USD OIS LIQUIDITY - MAY 2021

19: FED FUNDS VS SOFR TRADE VOLUME PER TENOR (EUR BLN)



20: FED FUNDS VS SOFR TRADE COUNT PER TENOR



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