

Memo



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Compilation of amendments to the Terms and Conditions for RIX and Monetary Policy Instruments that come into force on 8 June 2022

Table of contents

1. Amendments to the Master Document regarding collateral

- Section D2

2. Amendments to Annex H1 (changed name and definitions)

- Definitions section

3. Amendments to Account Terms for RIX (changed name and other amendments)

- Sections 1, 4 and 5

4. Amendments to Annex H4 Collateral Instructions

- Section 3.2.2 “Other monetary policy credits, including lending through Standing Facilities”

Proposed amendments, Terms and Conditions for RIX and Monetary Policy Instruments

1. Amendments to the Master Document regarding collateral (D2)

2 Standing Facilities

2.1 Eligible Institutions

Only Monetary Policy Counterparties have access to the Standing Facilities.

2.2 Standing Facilities

The Standing Facilities consist of

- a) The Standing Loan Facility
 - (i) The Standing Loan Facility can be used for Credit under the Standing Facilities.
 - (ii) The amount of the Standing Loan Facility is limited to the total value, at that time, of collateral belonging to the Primary Collateral Volume according to Annex H4 Collateral Instructions section 3.2.2.a, valued in accordance with the provisions of Annex H4 Collateral Instructions, to the extent that this value is not required to cover other Credits granted by the Riksbank.
- b) The Liquidity Facility
 - (i) The Liquidity Facility can be used for Credit under the Standing Facilities.
 - (ii) The Liquidity Facility is limited to the total value, at that time, of collateral belonging to the Secondary Collateral Volume according to Annex H4 Collateral Instructions section 3.2.2.a, valued in accordance with the provisions of Annex H4 Collateral Instructions, to the extent that this value is not required to cover other Credits granted by the Riksbank.
- c) The Standing Deposit Facility
 - (i) The Standing Deposit Facility can be used for Deposits under the Standing Facilities.

2.3 Utilisation of the Standing Facilities

- a) A Monetary Policy Counterparty that has a negative balance in RIX, calculated according to the provisions of the *Account Terms for RIX*, shall be considered to have utilised the Standing Lending Facility.

- b) A Monetary Policy Counterparty that has a negative balance in RIX, calculated according to the provisions of the *Account Terms for RIX* and that exceeds the limitation specified in 2.2.a.ii for the Standing Loan Facility, is considered to have utilised the Liquidity Facility for the surplus amount.
- c) A Monetary Policy Counterparty that has a positive balance in RIX, calculated according to the provisions of the *Account Terms for RIX*, shall be considered to have made a Deposit under the the Standing Facilities.

2.4 Terms and conditions

2.4.1 Maturity

The maturity of Credit and Deposits under the Standing Facilities is overnight from the RIX closing time until the opening time the following Business Day.

2.4.2 Interest.

- a) The interest rates on Credit and Deposits under the Standing Facilities shall be published in press releases as well as on the Riksbank's website (www.riksbank.se).
- b) Unless stated otherwise, when calculating interest the Riksbank applies the day-count convention Actual/360.

3 Implementation of Market Operations

How Market Operations are carried out is contained in *Instructions Monetary Policy Instruments*.

4 FX Transaction outside the Monetary Policy Operational Framework

The Riksbank may execute FX transactions outside the Monetary Policy Operational Framework. These transactions are primarily executed with Counterparties in FX Transactions. The detailed terms for such transactions are determined by market practice and in bilateral agreements between the Riksbank and the Counterparty.

5 Deviating terms

The Riksbank may, for monetary policy purposes, execute transactions in a way differing from that described by these Terms and Conditions. Such transactions shall be considered to be a part of the Monetary Policy Operational Framework.

2. Amendments to Annex H1 (changed name and definitions)

Annex H1 defines *Price Differential* as it is used for monetary policy repos. Repo Rate shall be changed to Policy Rate. The definition is:

In each separate Repo, the difference between the Repurchase Price and the Purchase Price, calculated on the basis of the current Policy Rate for the period commencing on the Purchase Date and ending on the date of calculation or, if earlier, the Repurchase Date (calculated on an actual/360 days basis).

The definitions section of Annex H1 introduces the following definitions:

Deposit rate	The interest rate applied in the utilisation of the Standing Deposit Facility according to D.2.
Liquidity Facility	A Standing Facility for Credit according to D.2.
Liquidity Facility rate	The interest rate applied in the utilisation of the Liquidity Facility according to D.2.
Primary Collateral Volume	Collateral according to Annex H4, section 3.2.2a.
Secondary Collateral Volume	Collateral according to Annex H4, section 3.2.2b.
Standing Deposit Facility	A Standing Facility for Deposits according to D.2.
Standing Loan Facility	A Standing Facility for Credit according to D.2.
Lending rate	The interest rate applied in the utilisation of the Loan Facility according to D.2.

3. Amendments to Account Terms for RIX (changed name and other amendments)

In three places, the **RIX Account Terms** (which are formally a part of the Terms and Conditions) use this term, which should be changed to *policy rate*.

1 Definitions

With regard to terms that begin with capital letters, the definitions stated in the Terms and Conditions for RIX and Monetary Policy Instruments – Appendix H1 – Definitions will apply, and also the following definitions:

Settlement Time	Time at which the balance in RIX that is to be the basis for interest calculation is determined.
Lending Rate	The Riksbank's interest rate on Credit in the Standing Lending Facility according to the Terms and Conditions for RIX and Monetary Policy Instruments, section D.2.3.2.

4 Interest on balances in RIX

- (a) For a Monetary Policy Counterparty, interest on its balance in RIX is calculated according to 2 above, using the interest rates given in section D.2.4.2 in the Terms and Conditions for RIX and Monetary Policy Instruments.
- (b) A RIX Participant that is a Monetary Policy Counterparty does not receive interest on its balance in RIX according to 2 above.
- (c) If the Riksbank's policy rate is lower than 0.75 per cent, the RIX Participant shall pay interest to the Riksbank on the balance in RIX according to 2 above based on the interest rate equal to the Riksbank's policy rate applicable at that time after a deduction of 0.75 percentage points.

5 Exceeding the maximum balance in RIX

If the maximum balance in RIX according to 3 above is exceeded, the RIX Participant shall pay interest on the whole amount based on the interest rate equal to the Riksbank's policy rate applicable at the time with a supplement of five-and-three-quarter (5.75) percentage points, increased by two-and-a-half percentage points each time such a transgression is repeated during a consecutive period of twelve months.

4. Amendments to Annex H4 Collateral Instructions

3.2.2 Other monetary policy credits, including lending through Standing Facilities

For such credits, a Primary Collateral Volume and a Secondary Collateral Volume can be applied (see below). If this is not done, the same requirements apply as for collateral with Intraday Credit (see Section **Fel! Hittar inte referenskölla.**).

- a) The Primary Collateral Volume is made up of the following collateral that fulfils the requirements according to section **Fel! Hittar inte referenskölla.**, which is valued in accordance with section **Fel! Hittar inte referenskölla.**:
 - i. Securities issued by governments
 - ii. Securities issued by central banks
 - iii. Other receivables at central banks
- b) The Secondary Collateral Volume is made up of other collateral that fulfils the requirements according to section 2.1, which is valued in accordance with section 3.1.