

APPROVED
by Resolution of the Board
of the National Bank of Ukraine
No. 860 dated 3 December 2015

Procedure for Calculating and Publishing
the Ukrainian Index of Interbank Rates

*as amended by NBU Board Decisions
No. 466 dated 19 July 2018
No. 330 dated 14 May 2020*

I. General Provisions

1. The Ukrainian Index of Interbank Rates (UIIR) shall be calculated and published for the purpose of providing market participants with reliable indicators of the hryvnia's value in Ukraine's interbank market.

2. UIIR values shall be indicative, that is, market participants and the NBU shall be under no obligation to make transactions with the respective parameters.

3. The UIIR shall be calculated daily (as of the end of each business day), based on the information on contracts to provide/place hryvnia resources concluded between banks in Ukraine's interbank market on a relevant day and reported to the NBU through the relevant information exchange channels of trade and information systems (TIS) before 9:00 a.m., Kyiv time, the next business day.

*(Section 1 paragraph 3 in the wording
of NBU Board Decision
No. 466 dated of 18 July 2018)*

4. The UIIR shall be calculated and published for two categories of interbank transactions:

1) *loans and deposits*, which, for the purpose of UIIR calculation, shall comprise all lending and deposit transactions made via TIS platforms (including information on prolonged contracts)

2) *swaps*, which, for the purpose of UIIR calculation, shall comprise all US dollar purchases on swap terms made via TIS platforms.

*(Section 1 paragraph 4 in the wording
of NBU Board Decision
No. 466 dated 19 July 2018)*

5. In each category provided for by paragraph 4, the UIIR shall be calculated and published based on transactions with the following maturities:

1) overnight transactions, which, for the purposes of this Procedure, shall mean transactions completed the next business day after the day they were entered into;

2) one-week transactions, which, for the purposes of this Procedure, shall mean transactions completed seven calendar days after the day they were entered into, or the next business day after that day (if the day following the seven calendar days falls on a public holiday, or is a working day that has been officially declared a non-working day, etc.)

3) two-week transactions, which, under this Procedure, shall mean transactions completed 14 calendar days after the date of conclusion or the next business day after this date (if the respective business day is followed by one or more non-business days in 14 calendar days due to public holidays, substitute holidays, etc.)

4) one-month transactions, which, under this Procedure, shall mean transactions completed 29–32 calendar days after the date of conclusion

5) three-month transactions, which, under this Procedure, shall mean transactions completed 85–95 calendar days after the date of conclusion.

6. The UIIR shall be calculated and published as a percentage per annum with an accuracy of four decimal places.

6¹. The NBU shall perform oversight of the UIIR. The UIIR oversight shall constitute the NBU's activity aimed at ensuring noninterrupted, reliable and effective calculation and publication of the UIIR. It shall comprise monitoring, analysis, and decision making on any issues related to calculating and publishing the UIIR. The NBU Board shall establish the UIIR Oversight Committee to address issues and draft proposals and/or decisions related to the UIIR oversight.

*(Section 1 is supplemented with subparagraph 6¹
by NBU Board Resolution
No. 330 dated 14 May 2020)*

II. Terms and Procedures for Calculating and Publishing the UIIR

7. Paragraph 7 of Section II was deleted

*(by NBU Board Resolution
No. 466 dated 19 July 2018)*

8. The UIIR shall be calculated for each maturity of each category only in the event that, before 9:00 a.m. of the next business day, the NBU receives information on at least five transactions of the respective maturity and category with at least three different banks as counterparties via the corresponding TIS information exchange channels. If the aforementioned terms are not met, the UIIR shall not be calculated for the respective maturity and category, and the information subject to publication shall be marked with “–” in the corresponding line.

*(paragraph 8 of Section II was amended
by NBU Board Decision
No. 466 dated 19 July 2018)*

9. In the *loans and deposits* category, the UIIR shall be calculated with the use of nominal interest rates provided by banks under corresponding transactions.

*(paragraph 9 of Section II was amended
by NBU Board Decision
No. 466 dated 19 July 2018)*

10. In the *swaps* category, the UIIR shall be calculated using the estimated values of interest rates, which shall be calculated by the following formula:

$$\text{Stavka_swap} = \frac{[(\text{FX rate 2} - \text{FX rate 1}) * 365 * 100\%]}{(\text{FX rate 1} * (\text{Date 2} - \text{Date 1}))},$$

where

Stavka_swap is a rate based on all FX purchase transactions on *swap* terms

FX rate 1 is the rate based on the first part of a swap transaction

FX rate 2 is the rate based on the second part of a swap transaction

Date 1 is hryvnia value date of the first transaction

Date 2 is hryvnia value date of the second transaction

365 is the estimated number of days in a year.

*(Section II paragraph 10 in the wording
of NBU Board Decision
No. 466 dated 19 July 2018)*

11. The UIIR shall be calculated for each maturity of each category as follows:

1) All transactions of a corresponding maturity and category are ranged from the lowest to the highest interest rate. From this range, 5% of transactions are cut top-down and 5% of transactions are cut bottom-up.

If 5% of the total number of transactions is not an integer, the corresponding value is rounded to the nearest integer value.

2) The standard deviation of an interest rate is calculated from the transactions' range resulting from the execution of paragraph 11 subparagraph 1 under the following formula:

$$\sigma_r = \sqrt{\frac{\sum_{i=1}^n (X_{ri} - \bar{X}_r)^2}{n}},$$

where

σ_r is the standard deviation value of an interest rate

X_{ri} is the interest rate of an i th transaction

\bar{X}_r is the average value of a range of interest rates

n is the number of transactions.

3) Transactions with an interest rate that deviates from the average value of the \bar{X}_r interest rate by more than two standard deviation values of the interest rate σ_r are cut from the transactions' range resulting from the execution of paragraph 11 subparagraph 1.

4) The range resulting from the execution of paragraph 11 subparagraph 3 is deemed as a base range for the UIIR calculation.

5) The UIIR value is calculated as an average value of the base range.

*(Section II paragraph 11 in the wording
of NBU Board Decision
No. 466 dated 19 July 2018)*

12. The UIIR of a relevant business day shall be published before 10:00 a.m. the next business day on the NBU official website.

III. Final provisions

13. If after the time set under paragraph 3 of this Procedure the NBU receives any additional/adjusted information on transactions of a preceding business day via the corresponding TIS information exchange channels, the UIIR shall not be recalculated.

*(Section II paragraph 13 in the wording
of NBU Board Decision
No. 466 dated 19 July 2018)*

14. Any changes to the terms and procedure of the UIIR calculation shall take effect no earlier than a week from their publication on the NBU official website.

Director
Open Market Operations Department

Serhii Ponomarenko

APPROVED
Deputy Governor
National Bank of Ukraine

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Oleg Churiy