



MARKET NOTICE

Market Notice: 2025_01

Date: 24/06/2025

Subject: Changes to AFMA's Interest Rate Derivatives Conventions

AFMA Members and market participants are advised that AFMA has made amendments to and introduced new Interest Rate Derivatives Conventions.

Members of AFMA's Swaps Committee have agreed to the following conventions:

- To remove the customary notional principals in section 3.4 and use customary interest rate risk as the determining factor for customary transaction amounts.
- A new convention to define "Modified Following" business day convention.
- A new convention to define "End of Month" business day convention.
- A non-material amendment to the vNovember 2023 document to delete "London" from section 5.2 Cash Settlements, Interest Rates Swaps and Basis Swaps, as London business days are no longer relevant following the demise of LIBOR.

The new Interest Rate Derivatives Conventions document has been posted to the AFMA website and [can be found here](#).

Please contact [Mark McCarthy](#) if you have any questions regarding this notice.

About AFMA

The Australian Financial Markets Association (AFMA) is the leading industry association promoting efficiency, integrity and professionalism in Australia's financial markets and provides leadership in advancing the interests of all market participants. These markets are an integral feature of the economy and perform the vital function of facilitating the efficient use of capital and management of risk. Market participants perform a range of important roles within these markets, including financial intermediation and market making. AFMA represents over 120 members, including Australian and international banks, leading brokers, securities companies, state government treasury corporations, fund managers, traders in electricity and other specialised markets and industry service providers.