



July 24, 2018

## Minutes of the Telbor Committee meeting held on July 10, 2018

- Committee members present:** Roy Stein, Bank of Israel Research Department (Committee Chairperson)  
Zahi Elias, President of ACI Israel (Forex)  
Sharon Lavi, Tel Aviv Stock Exchange  
Ketty Cohen, Bank of Israel Market Operations Department
- Other participants:** Ran Abraham, Mizrahi-Tefahot Bank  
Zach Sharon, Bank Leumi  
Yakov Gedanken, Israel Discount Bank  
Ian Klotnick, Israel Discount Bank  
Shuki Hay, First International Bank of Israel  
Idit Moskovich, First International Bank of Israel  
Mimi Regev, Bank of Israel Market Operations Department
- Absent:** Michal Rot-Levy, Bank Hapoalim

### The issues that were discussed:

1. In April 2015, the Committee decided to narrow the spread in committing transactions to 4 basis points ( $\pm 2$ ), both in loan and deposit transactions for 1 business day as well as in interest rate derivative transactions, in order to maintain the effectiveness of the commitment to execute transactions on the basis of Telbor quotations even in a near-zero interest rate environment. As the US increased the interest rate and expectations for an interest rate increase in Israel strengthened, the question arose of whether to return the committing spread to 6 basis points ( $\pm 3$ ). The Committee agreed that as of now there is no need to change the narrower spread.
2. The Bank of Israel's Information and Statistics Department completed the project of enhancing the statistics on Telbor derivatives transactions, in the framework of which approximately 50 foreign banks were added to those reporting. Because the data scrubbing has not been completed, it is possible to get only an initial impression for the scope of total activity in Telbor derivatives. Roy Stein presented tables showing that except for OIS derivatives, transaction volume in Telbor derivatives is very large among foreign financial institutions.
3. The Information and Statistics Department publishes on the Bank of Israel's website the table of transactions executed by contributor banks. Representatives of the contributor banks requested to add a table of transactions that were executed by all the reporting entities to the table of transactions that were executed by contributor banks, after the data scrubbing is completed. The request was sent to the Information and Statistics Department, which intends to present the data on total transaction activity when the scrubbing is completed.

4. Representatives of the banks submitted to the Information and Statistics Department reports on transactions they executed in 2018, and they were requested to verify that the reports on their OIS and FRA contract transactions match their actual transactions.

**5. Decisions reached at this meeting:**

No decisions were reached at this meeting.