

Disclosure of incidences of errors

3rd Quarter 2019 (I)

Incident of TMA Spot Rates (May - July 2019):

- During May to July 2019, there were discrepancies between the auto-feed and contingency file from a contributing broker. The cause was due to the contributing broker's system limitation and latency.

Remedies:

- The Surveillance and Governance Committee agreed to maintain status quo that the transactions received via auto-feed from the contributing broker still deemed to be correct.
- The TMA Office continue to monitor the TMA Spot Rates and escalate to the Committee if required.

3rd Quarter 2019 (II)

Error during a contributing bank's prime bank review for HKD HIBOR (December 2018):

- On 24 July 2019, a contributing bank reported that a wrong counterparty was added during their internal prime bank review for HKD HIBOR in December 2018. “Rabobank Hong Kong” was wrongly added as “ABN AMRO Bank NV, Hong Kong”. As a result, there were O/N submissions affected on 11 business days: the material impact were all below 1 basis point.

Remedies:

- The bank claimed that they had strengthened their internal prime bank review procedure by adding an approver mechanism in order to reduce the risk of manual errors.

3rd Quarter 2019 (III)

Wrong submission for HONIA from a contributor (15 August 2019):

- On 16 August 2019, a contributing broker reported that a wrong submission was made for HONIA on 15 August 2019. Since there was no transaction to be reported on 15 August and the data for 14 August should have been removed. As a result, there was a material impact of 1 basis point. The benchmark was not revised as the error was reported 17 hours after publication, which was in line with existing error correction policy.

Remedies:

- The broker was reminded by the TMA to review the Code of Conduct for Submitters.

3rd Quarter 2019 (IV)

Missing submission for HONIA from a contributor (17 September 2019):

- On 17 September 2019, a contributing broker reported missing submission for HONIA. As a result, there was an immaterial impact less than 1 basis point. The benchmark was not revised as the error was smaller than 3 basis points, which was in line with existing error correction policy..

Remedies:

- The broker was reminded by the TMA to review the Code of Conduct for Submitters.