



December 4, 2019

Federal Reserve Bank of New York
(via Email: rateproduction@ny.frb.org)

Comment on “Proposed Publication of SOFR Averages and a SOFR Index”

Dear Sirs/Madams:

We, the Japanese Bankers Association (JBA), would like to express our gratitude for this opportunity to comment on *Statement Requesting Public Comment on a Proposed Publication of SOFR Averages and a SOFR Index* published on November 4, 2019 by the Federal Reserve Bank of New York (New York Fed).

We would like to answer to the fifth question indicated in the “Questions for Public Comment” as follows, and we respectfully expect that this will contribute to your further discussion.

Question:

- Are there any other changes to the averages or index as proposed that would make them more useful? For what purpose(s)?

(Our Answer)

The SOFR index is proposed to be published as “a number rounded to the eighth decimal place.” However, we request that the New York Fed consider publishing it as a number with more than eight digits after the decimal point.

(Rationale)

As is pointed out in the Statement, the SOFR index rounded to the eighth decimal place may give rise to some minor differences between “published SOFR averages” and “SOFR averages calculated using SOFR index.” We believe that the more the number of digits after the decimal point were published, the closer the two values would be matched up, and this would ensure further preciseness, effectiveness and usefulness of the index.