

Shekel Overnight Interest Rate (SHIR) Transition FAQs

Drawing from our extensive experience helping clients navigate regulatory reform and Risk-Free Rate (RFR) transitions from MiFID II, LIBOR and beyond, we've compiled the below FAQs to support you in your preparation for the end of Israel's current reference rate – the Tel Aviv Inter-Bank Offered Rate (Telbor), which will transition to the Shekel Overnight Interest Rate (SHIR), effective 1 July 2025.

Q What is Israel's current reference rate?

A Telbor – Tel Aviv Inter-Bank Offered Rate

Q When does Telbor come to an end?

A 30 June 2025

Q What is Israel's new reference rate?

A SHIR – Shekel Overnight Interest Rate

Q When did SHIR begin publishing?

A SHIR began to be published in May 2022.

Q When will the publication of all Telbor tenors permanently cease?

A The publication of all tenors of Telbor will permanently cease following a final publication on 30 June 2025.

Q Why is SHIR replacing Telbor?

A The decision to replace Telbor is in line with most international industry standards where IBOR interest rates are being replaced with risk-free overnight interest rates.

Q What are the new benchmark rates?

A ILS-SHIR-OIS Compound vs Annual

Q What is the Bank of Israel's roadmap?

A Bank of Israel Roadmap

Q What is Tradeweb's roadmap for preparation?

A Tradeweb has been preparing and will be ready for go live on 24 February 2025.

February 2022	June 2022	November 2022	September 2023	December 2023	16 April 2024	30 June 2025
Decision to establish SHIR	Publication of SHIR on BOI website begins	SHIR and FB incorporated in ISDA	LCH is ready to clear SHIR	SHIR started trading	Announcement of future cessation of Telbor publication Freeze of Spread Adjustments	Telbor cessation

Q What's the clearing and settlement timeline?

A Clearing is currently available for SHIR at central counterparty (CCP). LCH is the only CCP that supports SHIR and supported via Marketwire.

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LCH:

- SwapClear will perform the ILS Telbor conversion in a single event expected to be conducted on Saturday, 17 May 2025, based on the population of Telbor contracts that will be outstanding on EOD Friday, 16 May 2025. The contingency date for the ILS Telbor conversion event is expected to be Saturday, 7 June 2025.
- Prior to the conversion event in production, the conversion process will be tested through a dress rehearsal event to take place in LCH's Member Test environment expected to be conducted on Saturday, 8 March 2025.
- LCH will not register any Telbor trades after the 17 May 2025 conversion.

Q What do I need to do to prepare?

A Be aware that LCH will be implementing their Telbor to SHIR conversion on 17 May 2025. Clients can choose to use Tradeweb's list tool to convert ahead of this date to avoid having converted swaps on their books.

Q What industry resources are available?

A Below please find a list of industry resources with in-depth information on the SHIR transition.

Bank of Israel

[Decision to cease the publication of Telbor after June 30, 2025](#)

[The Telbor interest rate](#)

[Shekel overnight Interest Rate \(SHIR\)](#)

[Press release: Trading begins in SHIR—Shekel overnight Interest Rate, the interest rate expected to replace the Telbor interest rate](#)

Clearing & Settlement

[LCH Conversion of Outstanding Cleared ILS Telbor Contracts](#)

ISDA

[ISDA Statement on BOI's Telbor Announcement](#)

Q What other Risk-Free Reference Rate transitions is Tradeweb working on?

A Tradeweb has recently implemented the Mexican F-TIIE transition. For all your Mexico F-TIIE transition resources click here: <https://cdn.tradeweb.com/sites/F-TIIE/index.html>. The next Risk-Free Reference Rate will be South Africa's XARONIA for which we are planning on adding the new index in 2025.