EUROPEAN CENTRAL BANK

EUROSYSTEM

Update on STEP

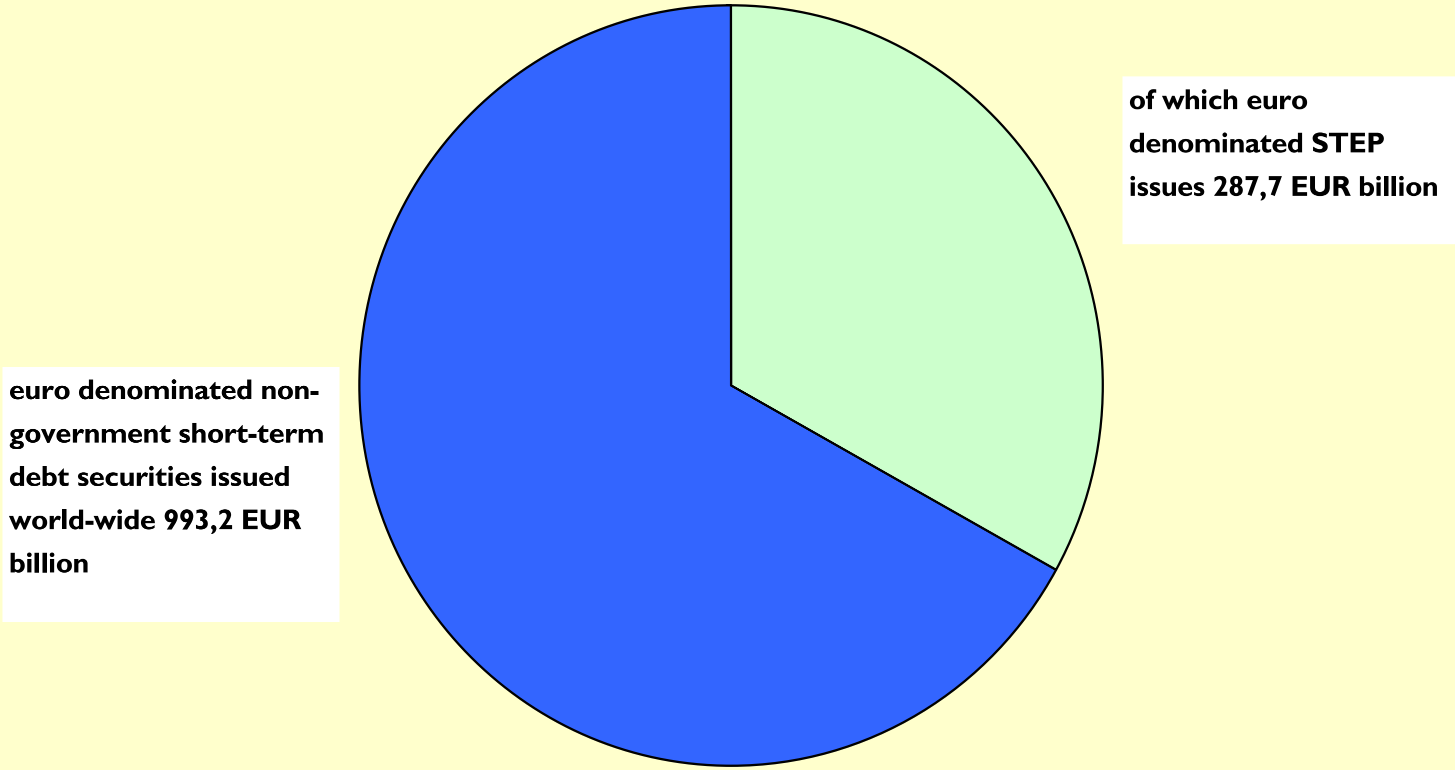
Jean-Louis Schirmann

Money Market Contact Group

Frankfurt, 27 May 2008

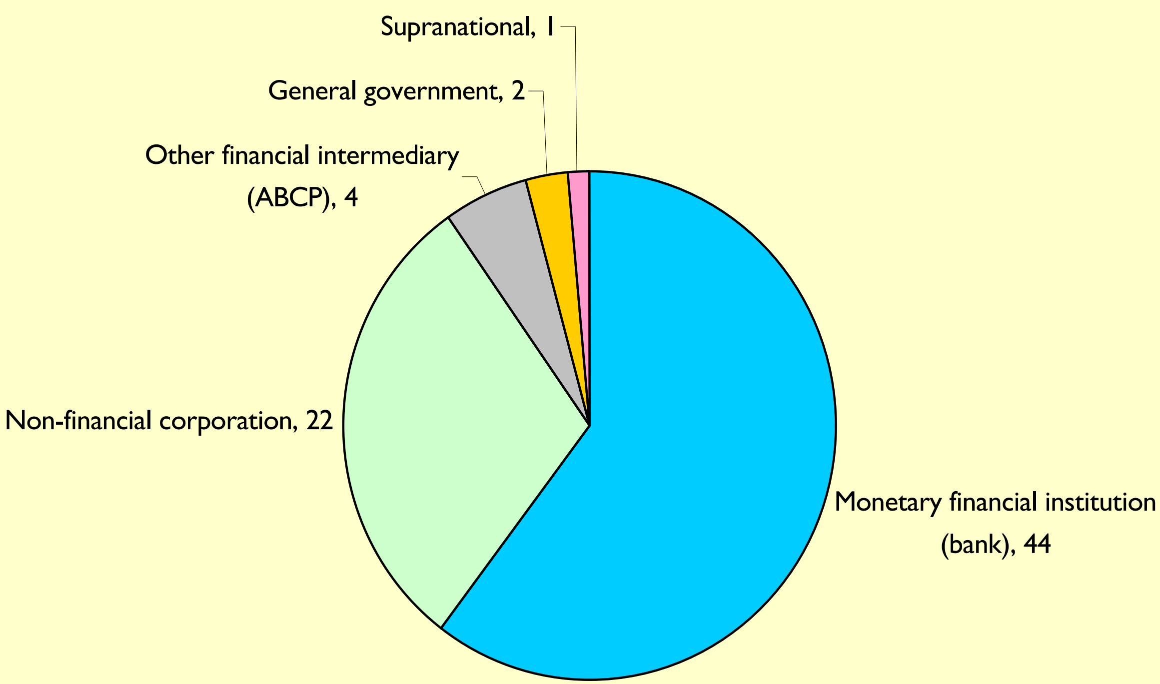
Market developments – Size

Outstanding amount of euro-denominated STEP and worldwide euro-denominated non-government short-term paper, March 2008



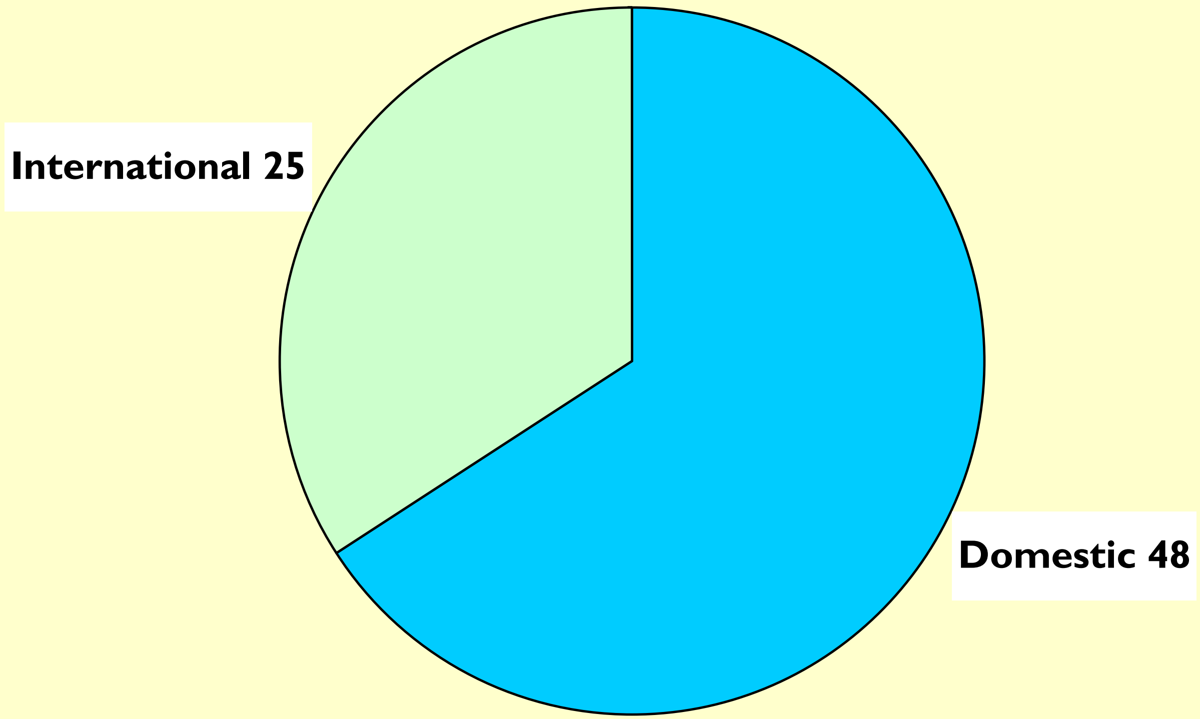
Market developments – Size

Distribution of STEP programmes by issuer sector (number of programmes end-April 2008)

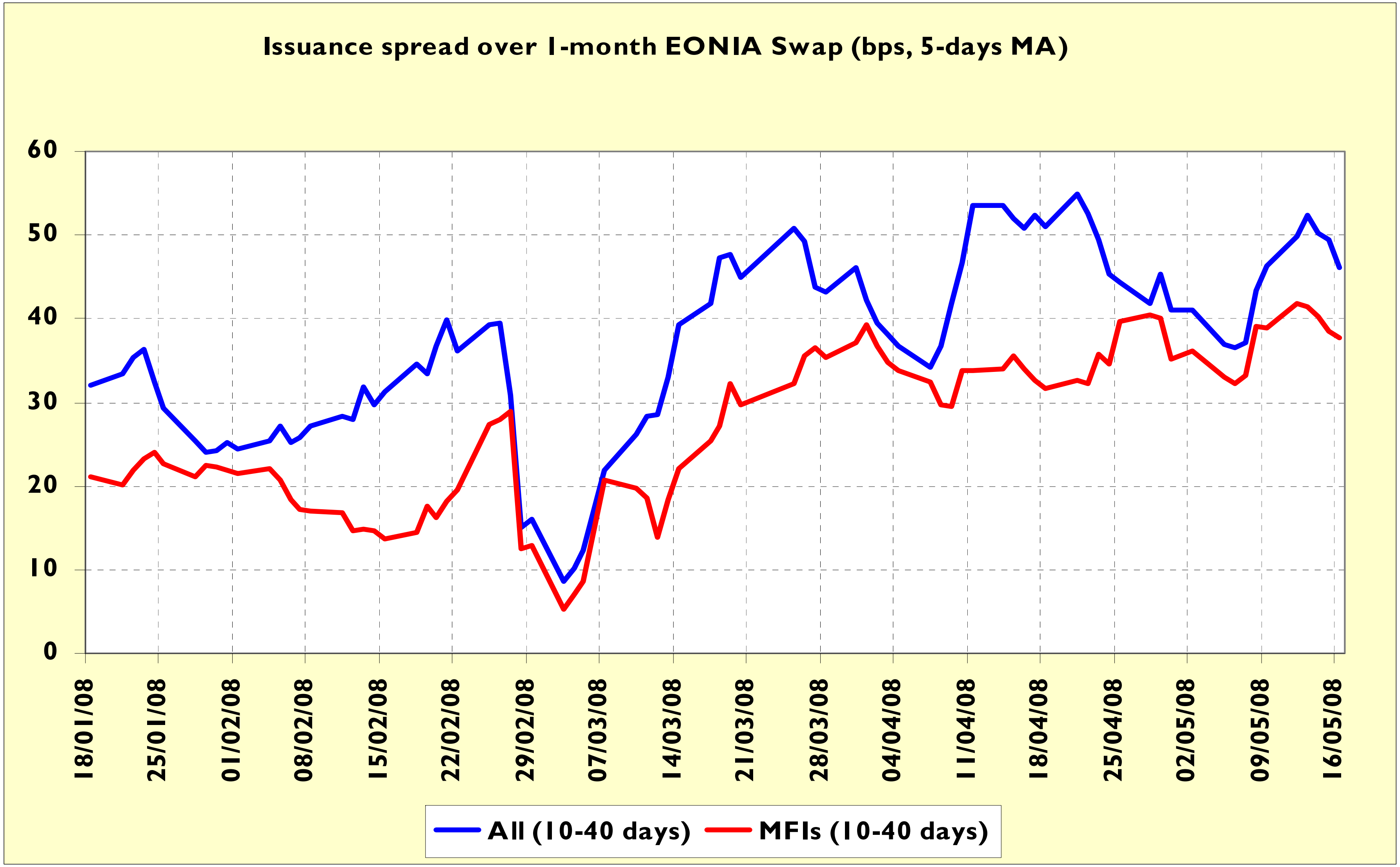


Market developments – Size

Distribution of STEP label among underlying markets (number of programmes end-April 2008)



Market developments – Yields



Institutional developments – STEP labelling

- *extension of ESCB involvement in STEP labelling process for two additional years until end of June 2010*

SUBJECT TO

- *the provision by end-2008 by the EBF of*

  ✓ *A business plan to ensure an effective and smooth implementation of the STEP labelling without ESCB support by June 2010 at the latest*

  ✓ *An in-depth legal assessment of the STEP Market Convention*

Institutional developments – Market Convention

- ***Task Force on the review of the STEP Market Convention***
  - ✓ *enhancements of STEP market convention*
  - ✓ *reconciliation between different standards*
  - ✓ *better integration*
  - ✓ *increase strength of STEP market*