



# ISDA CDS Standard Model<sup>SM</sup>

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The ISDA CDS Standard Model is a source code for CDS calculations and can be downloaded freely through this website.

The source code is copyright of ISDA and available under an Open Source license.

### Background

As the CDS market evolves to trade single name contracts with a fixed coupon and upfront payment, it is critical for CDS investors to match the upfront payment amounts and to be able to translate upfront quotations to spread quotations and vice versa in a standardized manner.

One of the primary goals in making the code available is to enhance transparency and to optimize use of standard technology for CDS pricing. Implementing the ISDA CDS Standard Model and using the agreed standard input parameters will allow CDS market participants to tie out calculations and thus improve consistency and reduce operational differences downstream.

### Markit's role

Markit, in its role as administrator for this open source project, provides support for the maintenance of the code and moderates the forum on this open source website. In addition, Markit develops and maintains the documentation provided with the code and will provide support to future ISDA working groups around the open source code.

### News (last updated July 21, 2022)

Until recently the CDS Standard Model only incorporated a holiday calendar for Tokyo (for use in JPY fee calculations); no other holiday calendars were incorporated. The new U.S. holiday known as "Juneteenth" (that was observed this year on Monday, June 20th, 2022 – the June payment date for Standard Transaction Types) caused issues for some members regarding fee calculations in the model. A holiday calendar for New York has since been incorporated into the model in order to account for Juneteenth not being a New York Business Day in calculations and avoid such issues occurring in the future – note that currently only the Juneteenth holiday has been added to such calendar. Other relevant calendars (with holidays that have the potential to impact a payment date for a Standard Transaction Type) will also be added for financial centres such as London.

The CDS Standard Model allows the use of multiple calendars, by the user combining them into one, in the calculation of fees for credit derivatives (including the Initial Payment Amount). This is intended to allow the application of calendars as per the Business Days applicable to the contract. i.e. for a single name CDS that references the Credit Derivatives Physical Settlement Matrix: the Business Days specified in the Matrix for the Transaction Type and currency of the transaction (unless specified otherwise in the Confirmation) – for example, London, New York and Tokyo Business Days for a Standard Japan Corporate trade in USD.

### More News

### Download

[Source Code and Excel add-in](#)

### Related Links

- [Documentation](#)
- [ISDA Standard Model Settings for Fee Computations](#)
- [IBOR Test Grids](#)
- [RFR Interest Rates](#)
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