

**Classification of a particular type of dual currency bond (IFRS 9 *Financial Instruments*)—  
September 2018**

The Committee received a request about how a holder would classify a particular financial asset applying IFRS 9. The submitter described a ‘dual currency bond’ with a par amount denominated in one currency and fixed interest coupon payments denominated in another currency. The fixed interest payments are paid annually and the par amount is repaid at a stated maturity date. The submitter asked whether such a financial instrument has contractual cash flows that are solely payments of principal and interest on the principal amount outstanding applying paragraphs 4.1.2(b) and 4.1.2A(b) of IFRS 9.

On the basis of the responses to outreach performed on the request and those received in comment letters, the Committee observed that the financial instrument described in the request is not common. Therefore, the Committee has not obtained evidence that the matter has widespread effect.

Consequently, the Committee decided not to add this matter to its standard-setting agenda.