

Bloomberg E-Bond Trading Rules

1.0 Scope of Application

The E-Bond platform is open to registered users of Bloomberg. A market participant (Primary Dealer and/or non-Primary Dealer) intending to trade in Government of Mauritius and Bank of Mauritius securities on the E-Bond platform shall notify the Bank of Mauritius (Bank) in writing. The Bank will inform Bloomberg accordingly and the participant will be on boarded as a Dealing Member in the E-Bond system.

The Trading Rules apply to the trading operations of Dealing Members across all securities traded on the E-Bond platform. The Rules are to be read in conjunction with the Bank of Mauritius Guideline on the Operational Framework for Primary Dealers of 1 March 2017 (revised in May 2018), and any such other rules and guidelines as may be introduced to the market from time to time by the Bank.

The Rules are applicable to and binding upon all Dealing Members.

1.1 List of Tradable Instruments

S/N	Description	Rule
1	Government of Mauritius Treasury Bills	Yes
2	Government of Mauritius Treasury Notes	Yes
3	Government of Mauritius Bonds	Yes
4	Bank of Mauritius Bills	Yes
5	Bank of Mauritius Notes	Yes
6	Bank of Mauritius Bonds	Yes

2.0 General Trading Characteristics

2.1 Two-Way Quote

S/N	Rules Description	Rule
1.	Entering of 2-way live quotes into the trading platform	- Primary Dealers (PDs) shall provide 2-way quotes for eligible securities at all times during trading hours.

		- Prices quoted shall be valid for an amount of up to Rs25 million - Entering 2-way quotes is optional for Non-PDs
2.	Quote Convention	- Yield, quoted to 2 decimal places
3.	Bid/Ask Spread	- Up to the maximum specified by the Bank
4.	Order Size	- Minimum Deal size shall be for nominal value of Rs50,000 and in such multiples thereafter
5.	Settlement Cycle	- T+2 - T+1 : Optional, if mutually agreed - T+0 : Optional for Interbank Trades
6.	Market hours	- 9:30hrs to 16:30hrs

2.2 Request for Quote (RFQ)

S/N	Rules Description	Rule
1.	Participants	- Primary Dealers : Two-way or One-Way RFQ - Non-Primary Dealers : One-Way RFQ
2.	Request method	- Requester must specify intent whether to BUY or SELL (for 1WQ) or Buy and SELL (2WQ)
3.	Primary Dealers Response to RFQ	- Primary Dealers shall have the obligation to respond to at least 65% of RFQ on a daily basis.
4.	Maximum number of dealers to whom a price taker can send RFQ	- Four (4)
5.	Maximum number of dealers a price taker can accept	- One (1)
6.	Dealer response time (quote time) – The time the price maker has for quoting	- Five (5) minutes
7.	Response time to quote- The time the price taker has to deal on quote	- Five (5) minutes

8.	Total time for execution of RFQ	- Ten (10) minutes
9.	Minimum Size	- Rs50,000
10.	Size Increment	- Rs50,000
11.	Termination of quote	- Price makers can terminate quote before it is taken, with justification.

2.3 Firm Orders

S/N	Rules Description	Rule
1.	Participants	- Primary Dealers may provide firm quotes
2.	Order Size	- In multiples of two-way quotes volume - Volume to be specified for bid/offer
3.	Bid/Ask Spread	- Up to the maximum specified by the Bank
4.	Anonymous Order	- Firm orders may be Anonymous
5.	Counterparty Limit	- Primary Dealers may set credit lines in the system

3.0 Other Trading Rules

S/N	Rules Description	Rule
1.	Market Participation	- All Primary Dealers are required to be present in the market during trading hours.
2.	Absence due to non-technical issues	- Not permissible for Primary Dealers
3.	Notification for market absence due to technical issue	- Primary Dealers should notify the Bank immediately of any absence due to technical fault at their end.
4.	Absence due to technical fault	- Following interruption in their trading, Primary Dealers must be able to resume activities, at

		most, within 4 hours from the time the break occurs
5.	Indicative Quotes	- Dealing Members are expected to update their indicative quotes throughout the trading hours
6.	Firm Orders	- Primary Dealers shall exercise due care and diligence when providing firm orders. An off-market quote submitted by a Primary Dealer shall be deemed to be final and binding, unless the counterparty agrees to waive its right to insist on trade consummation.
7.	Short Selling	- Not allowed - Dealing Members should have the securities in their portfolio to be able to provide Two-Way quotes
8.	Shut Period	- Trading of Bills, Notes and Bonds shall stop 3 days before the payment of next coupon/ redemption proceeds
9.	Pricing Convention	- Day Count Bills: Actual/365 days Notes and Bonds: Actual / Actual -Accrued Interest –Bloomberg Street Convention: Yields are calculated on a compounded basis on the same frequency as the coupon frequency for all periods except the last period. In the last period simple yield is applied.
10.	Coupon Payments	- Coupon amounts for standard coupon periods are calculated as coupon/coupon frequency *face value regardless of day count.

4.0 Reporting of Trades

4.1 All Dealing Members shall comply with the reporting requirements as set out by the Bank in respect of all trades entered into.

4.2 All voice trades shall be reported to the Bank within the prescribed time. Voice trades are those trades executed via telephone, email or on any system other than Bloomberg E-Bond platform.

4.2.1 Voice Trade or External Trades Reporting (VTR)

S/N	Rules Description	Rule
1.	Trades done outside the E-Bond trading platform (Voice trades)	-All trades (electronic or voice) must be entered on the E-Bond using VTR
2.	Time lag for reporting voice trades	-30 minutes after execution
3.	Date/Time of trade	-Actual date and time of trade must be entered during the VTR
4.	Confirmation of trades	- Only confirmed trades must be entered in the VTR - Enter dealer code for E-Bond Dealing members in the "Counterparty" field. - Non-E-Bond counterparties must affirm trades via reply email. E-Bond Dealing Member must affirm trades electronically.

5.0 Trade Settlement

Dealing Members shall arrange among themselves for settlement of funds in respect of trades executed. The Bank shall not be responsible for ensuring receipt of funds by selling Members.

6.0 Transfer of Securities by the Bank

The Bank will transfer ownership of securities traded upon receipt of instructions from the selling Member or its custodian bank, by way of authenticated SWIFT message MT 199 or any other means acceptable to the Bank.

7.0 Review Clause

The Trading Rules will be subject to review in the light of market development.

Bank of Mauritius

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