



PUBLIC NOTICE

AUCTION OF TWO-YEAR BANK OF MAURITIUS NOTES

31 August 2023

In accordance with section 6 (2) (a) of the Bank of Mauritius Act 2004, and in line with the new monetary policy framework, the Bank will issue Two-Year Bank of Mauritius Notes maturing on **1 September 2025**.

1. The Bank will receive bids from **all banks** for the Two-Year Bank of Mauritius Notes for a nominal amount of **Rs4,000 million**, to be sold through auction, in multiples of Rs100,000, on a yield basis quoted to two decimal places on **Friday 1 September 2023** for same day settlement.
2. Banks shall submit bids for the Two-Year Notes, up to a maximum of **five** bids, one for each bid yield, which, however, should not exceed the tender amount in the aggregate.
3. Banks which are registered Bloomberg users shall submit their bids through the Bloomberg Auctioning System, whilst others should submit their bids through email on auction@bom.mu, **before 10.00 a.m. on Friday 1 September 2023**. Bids received after the prescribed time and date shall not be considered.
4. Results of the auction will be announced on the same day and successful bidders will be required to effect payment of the cost price of the Notes through the Mauritius Automated Clearing and Settlement System, **at latest by 1.00 p.m. on Friday 1 September 2023**. Payment of maturity proceeds and interests accruing on the Notes by the Bank will also be made through the MACSS.
5. The coupon rate for this auction will be set equal to or higher than the lowest accepted yield of the auction to be held on **Friday 1 September 2023**. Bidders whose accepted bids carry yields lower than the coupon rate will be required to pay a premium (over and above the face or nominal value). Successful bidders will in any case receive the yield that they specified in their bids.
6. The Notes will be issued dated **1 September 2023** and will mature and be redeemed at par by the Bank of Mauritius on **1 September 2025**. The Bank may, at its discretion, allow the Notes to be redeemed or converted into other instruments at market rates prior to maturity.
7. Interest on these Notes will be paid half-yearly on 1 March and 1 September by the Bank during the currency of the Notes to the bank account of the bidders. Interest will accrue on the Notes as from 1 September 2023 on the nominal amount allotted and will cease on the date of their maturity.
8. The Bank of Mauritius Notes will be issued in Book-Entry form and records will be kept at the Bank of Mauritius. The Notes may be freely traded and are transferable from one investor to another in multiples of Rs50,000.
9. The Bank of Mauritius reserves the right to accept or reject any bid either in full or in part, without assigning any reason in respect thereof.