

e u r e x b o n d s c i r c u l a r 27/14

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Recipients: All Trading Participants of Eurex Bonds
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Reduction of the settlement cycle from T+3 to T+2

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Content may be most important for:

- ➔ Front Office / Trading
- ➔ Middle + Backoffice

Attachments:

none

Summary:

Due to coming into effect in 2015, the Regulation on securities settlement and central securities depositories (CSDR) will create a common regulatory framework for securities settlement across the European Union (EU). The most recent version of the CSDR has been finalised. Central Securities Depositories (CSDs) are systemically important institutions for the financial markets and the CDSR aims to harmonise both the timing and conduct of securities settlement in Europe as well as the rules governing CSDs which operate settlement infrastructures.

In most European markets, standard settlement is currently on a three-business-days-after-trade-date (T+3) basis. The CSDR mandates a shorter harmonised T+2 (two business days after trade date) settlement cycle for transactions in all transferable securities (as defined by MiFID (Directive 2004/39/EC)).

The Eurex Bonds market, like many other European markets, prepares the transition to T+2 for all tradable securities as of **6 October 2014**. As part of the reduction of the settlement period from T+3 to T+2 the last trade date for all relevant securities will also be adjusted from three days to two days before maturity.

Order book trades executed on or after 6 October 2014 on the Eurex Bonds market will be settled on a T+2 basis. In accordance with the provisions of the most recent CSDR version, the positions in off-order book trades will remain unchanged.



Eurex Bonds: Reduction of the settlement cycle from T+3 to T+2

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Transitional arrangements

The transition period for trades executed between Thursday, 2 October 2014 and Tuesday, 7 October 2014, will be as follows:

Trade Date	Settlement Period	Settlement Date
Thursday, 2 October 2014	T+3	Wednesday, 8 October 2014
Friday, 3 October 2014	(public holiday)	n/a
Monday, 6 October 2014	T+2	Wednesday, 8 October 2014
Tuesday, 7 October 2014	T+2	Thursday, 9 October 2014

If you have any questions or comments in relation to the implementation of T+2 for the Eurex Bonds Market please contact us at info@eurex-bonds.com.

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