

## MARKET REGULATION ADVISORY NOTICE

<b>From</b>	<i>NEX SEF Limited ("NEX SEF")</i>
<b>To</b>	<i>All EBS NDF Platform Participants</i>
<b>Subject</b>	<i>Unexpected Bank Holiday on the Fixing Date</i>
<b>Rule References</b>	<i>316, 801, Annex 1</i>
<b>Effective Date</b>	<i>November 4, 2020</i>
<b>Notice Date</b>	<i>October 21, 2020</i>
<b>Notice Number</b>	<i>2020-03</i>

### **NEX SEF | Unexpected Bank Holiday or Political Event Impact on the Fixing Date**

#### **Overview**

It is important to NEX SEF that all Participants have a rewarding experience on the NEX SEF platform. It benefits the market participants to better understand how the fixing and settlement dates of various NDF products offered on the NEX SEF platform may be impacted by an unexpected bank holiday or a political event rendering the operations of a fixing source, such as a local Central Bank, impossible or impractical.

In order to continue to maintain an orderly and transparent market, NEX SEF is outlining its approach and process to handling these unexpected bank holidays, pursuant to NEX SEF Rule 801. In accordance with Rule 801, the fixing date is the day and time whereby the comparison between the NDF rate and the prevailing spot rate is made. The settlement date is the day when the difference is paid or received, and it is usually one or two local business days after the fixing date. The fixing date must be on a *Good Local Day*.

#### **Current List of Available Currencies Covered by this Notice:**

All currencies listed in the NEX SEF Rule 801 including the most recent Product Filings.

#### **Good Local Day**

A Good Local Day is a local business day which is not a bank holiday and during which there are no local political events that may impact the operations of a fixing source for any of the currencies in the currency pair. For avoidance of doubt, Saturdays and Sundays are not considered Good Local Days.

#### **Fixing and Settlement Date Calculation**

Each currency has its own list of holidays and settlement conventions. Trades settle T+1 for PHP and T+2 for the other currencies listed above. For a detailed list of value, fixing and settlement date calculations see EBS Value Date Calendar in [Exhibit A](#). The EBS Value Date Calendar applies to both NDF products available on NEX SEF and NDF products available on non-NEX SEF EBS Trading Platforms.

#### **The Approach to Unexpected Bank Holidays or Political Events**

NEX SEF does not make adjustments to fixing and settlement dates for trades executed prior to the announcement of a bank holiday or a political event. Market participants are expected to make the necessary adjustments bilaterally pursuant to industry convention. Any amendments to the original

transactions executed on NEX SEF and previously reported to the SDR by NEX SEF may trigger continuation data reporting requirements under CFTC Part 45. Note, it is the participants responsibility to report any amendments to the SDR consistent with the reporting party rules.

For products not yet executed prior to the announcement, NEX SEF will make the adjustments to the fixing and settlement dates consistent with the announcement. See Summary Table Below.

<b>Executed Trades</b>		<b>Unexecuted Trades</b>	
<i>Fixing Date</i>	<i>Settlement Date</i>	<i>Fixing Date</i>	<i>Settlement Date</i>
Counterparties bilaterally adjust the date.	Counterparties bilaterally adjust the date.	NEX SEF adjusts the fixing date consistent with announcement of a bank holiday or political event	NEX SEF adjusts the settlement date consistent with the fixing date adjustment



**EXHIBIT A**

EBS VALUE DATE CALENDAR