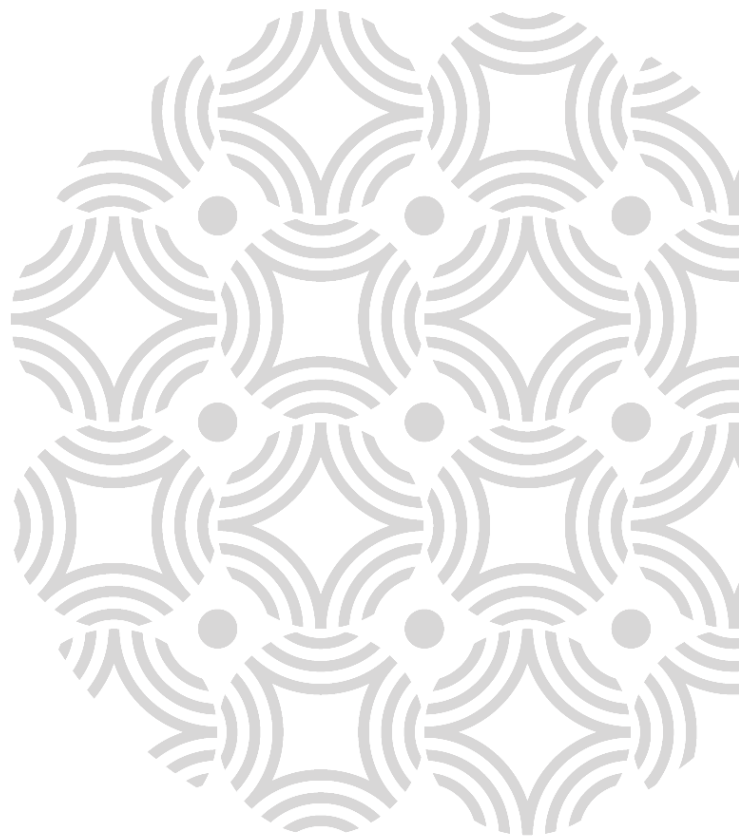




Netherlands





1 Country overview

MTS facilitates a regulated market for the electronic trading of Dutch government securities.

2 Instruments

Over 30 euro-denominated securities are tradeable on the system, either with fixed annual coupons or zero-coupon, and with maturities ranging from three months to 30 years.

- > Dutch State Loans (DSLs) – fixed rate bonds, redeemable at maturity at par, currently issued with maturities of 3 and 10 years. The coupon is paid annually and interest is calculated on an actual/actual basis
- > Dutch Treasury Certificates (DTCs) – zero coupon instruments, auctioned once a month with maturities of 3, 6, or 12 months. They are issued at a discount from par and yield is calculated on an actual/360 basis

For a full list of available instruments, click here:

<http://www.mtsdata.com/content/data/public/nld/anagraph/index.php>

2.1 TAP facility

The TAP facility offers the possibility for issuers to execute their TAP issues electronically. The TAP facility replicates as much as possible the modus operandi used for the traditional TAP issue performed by telephone, whilst at the same time providing the greater level of operational efficiency and transparency ensured by a centralised electronic trading platform that is on the desks of over 400 banks in Europe.

The TAP facility is proven technology – since 2001 the Dutch State has used the facility to issue its long-term debt. The TAP segment is a single market-maker segment, i.e. the issuer is the only participant with the ability to insert offer prices in the security it wishes to issue. The other institutions (the primary dealers of the issuer) are admitted to the TAP act as price-takers, i.e. they are able to trade only with the issuer and against the prices it offers.

The TAP functionality clearly brings advantages to the issuer and its primary dealers in terms of transparency, equal access, operational efficiency and speed.



2.2 Minimum lots

DSLs:

- > Proposals must be formulated for a minimum quantity equal to EUR 10 million for bonds with a maturity of up to 13.5 years and EUR 5 million for bonds with a maturity over 13.5 years
- > Orders may be made for:
 - Round lots – multiples of EUR 2.5 million for orders of EUR 2.5 million or more
 - Odd lots – multiples of EUR 0.5 million for orders between EUR 0.5 and EUR 2.5 million. Odd lots are subject to market makers' acceptance

DTCs:

- > Proposals must be formulated for a minimum quantity equal to EUR 10 million
- > Orders may be made for:
 - Round lots – multiples of EUR 10 million for orders of EUR 10 million or more
 - Odd lots – multiples of EUR 0.5 million for orders between EUR 0.5 and EUR 10 million
- > Odd lots are subject to market makers' acceptance

TNDs: (TAPS Facility)

- > Proposals are formulated by the Dutch State Treasury Agency. Orders are made for the round lots
 - multiples of 5 million per order of EUR 25 million or more
- > Odd lots are not allowed

3 Participants

For a list of participants, click here:

<http://www.mtsdata.com/content/data/public/nld/anagraph/member.php>



3.1 Requirements

- > Market makers – eligible financial institutions are designated by the Dutch State Treasury Agency as "Primary Dealers" in the Dutch primary market and must have net assets of at least EUR 250 million. They must commit to market making obligations for DSLs and DTCs
- > Single market specialists – eligible financial institutions are designated by the Dutch State Treasury Agency as "Single Market Specialists" in the Dutch primary market for DTCs and must have net assets of at least EUR 100 million. They must commit to market making obligations for DTCs
- > Market takers – eligible financial institutions must have net assets of at least EUR 100 million and have traded at least EUR 300 million in Dutch government bonds on the secondary market in the preceding year

4 Market Hours

Cash

Market Hours (CET)	
Pre-Market	7:30am – 8:00am
Pre-Open Market	8:00am – 5:30pm
Market Closed	5:30pm

Repo

Market Hours (CET)	
Pre-Market	7:30am – 7:45am
Market Open	7:45am – 6:30pm
GC allocation window	6:30pm – 6:45pm
Market Closed	6:45pm



5 Settlement

Clearstream Banking Luxembourg and Euroclear Bank Brussels carry out settlement on a gross delivery versus payment basis.

For each trade executed on the platform, MTS transmits via Swift to Euroclear Bank Brussels/Clearstream Banking Luxembourg payment/delivery instructions on behalf of both counterparties.

Each market participant must execute a standard "Power of Attorney" provided by Euroclear Bank Brussels/Clearstream Banking Luxembourg authorising these institutions to debit/credit their accounts on the basis of instructions sent from MTS and to inform MTS of potential fails.

LCH Clearnet Ltd is available as a central counterparty.

Settlement cycle is t+3 for DSL and t+2 for DTC. Settlement calendar follows the TARGET calendar skipping value date only on TARGET non-business days.

6 Market Data

Click to view report:

- Daily bulletins (<http://www.mtsdata.com/content/data/public/nld/bulletin/>)
- Daily fixing (http://www.mtsdata.com/content/data/public/nld/fixing/fixing_nld.html)
- Best page (<http://www.mtsdata.com/content/data/public/nld/best/>)

6.1 Password protected

Click to view:

- Participant statistics (<http://www.mtsdata.com/statistics/activity/participants.php>)



7 Contact

Find out how MTS can enhance your fixed income trading business by requesting a free trial or speaking to our expert team:

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