

MARKET NOTICE



To: ALL FMDQ OTC SECURITIES EXCHANGE MARKET PARTICIPANTS
From: MARKET DEVELOPMENT GROUP
Reference: FMDQ/MDG/270217/MN-06
Notice Date: FEBRUARY 27, 2017
Effective Date: MARCH 1, 2017

REVISED FIXED INCOME CLOSING PRICE METHODOLOGY

As part of our mandate to promote transparency and maintain the integrity of the closing price valuation process for fixed income securities on the FMDQ Daily Quotations List (DQL), FMDQ OTC Securities Exchange (FMDQ) has embarked on a review of the valuation methodologies for all securities itemised on the DQL.

Following this exercise, FMDQ hereby announces the revision of its DQL Fixed Income Closing Price Methodology.

The changes in the Fixed Income Closing Price Methodology consist of the following:

- i. Revision of fixed income closing price publication standard from bid and offer prices/rates to a single price/rate
- ii. Revision of data inputs rules and calculation methodology for fixed income closing prices of trading securities to accommodate varying levels of market liquidity
- iii. Revision of calculation methodology for non-trading securities from the application of the theoretical spot curve to interpolation of trading securities
- iv. Inclusion of criteria for granting trading/non-trading classification status to securities

Consequently, market participants are hereby notified that the revised FMDQ Fixed Income Closing Price Methodology shall take effect from **Wednesday, March 1, 2017**.

Click [here](#) to view the revised Methodology.

Please be guided accordingly.

Should you have any question(s) about this Market Notice, please do not hesitate to contact the FMDQ Market Development Group at mdg@fmdgotc.com.