



Debt Instrument Solution (DIS)

Operational Timelines Guide



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Introduction

Strate, in conjunction with its stakeholders, is embarking on a journey that will transform the bond market. In the second quarter of 2017, Strate is planning on implementing its Debt Instrument Solution (DIS) project to replace its current UNEXcor system, which has been operational since 1991. This will revolutionise the bonds settlement model, as well as bonds capital events processing.

At a high level, the next pages reflect the revised operational timelines that will be effected.

Acronym	Description
CSD P	CSD Participant
EOD	End of Day
IA	Issuer Agent
ISIN	International Securities Identification Number
PD	Payment Date
RD	Record Date
S	Settlement Date
T	Trade Date
T+n	Trade + number of settlement days

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ISIN Issuance

Type	Reporting Time	Remarks
ISIN Issue	18:00	Mini Issue date – 1 Business Days
ISIN De-Issue	18:00	
ISIN Top-up / Reduction	14:00 (For Failure Management) 18:00 (Normal Top-up)	Different timelines recommended for Failure Management and Normal Top-ups
ISIN Authorised Amount Increase / Decrease	14:00 (For Failure Management) * 18:00 (Normal Top-up)	Different timelines recommended for Failure Management and Normal Top-ups

* If Issued Amount exceeds Authorised Amount and it is linked to Failure Management, then it must be done by 14:00

Settlement Timelines

Trade Type	Settlement Cycle	Reporting Time					Commit Time				
		EOD T	15:00 S-1	9:00 S	13:00 S	18:00 S	13:00 S-1	17:00 S-1	10:00 S	15:00 S	18:00 S
On-Market – Trades	T+3; T+2; T+n	X						X			
	T+1		X					X			
Off-Market – Trades	T+3; T+2; T+1; T+n		X					X			
On- and Off Market Same Day	T+0				X					X	
Securities, Lending and Borrowing Trades (Client Type 50)	Minimum T+0				X						X
Securities, Lending and Borrowing Trades on Record Date (Client Type 50)	Minimum T+0			X					X		
Securities, Lending and Borrowing (Client Type 50) with a Loan Dependency	Minimum T+1		X					X			

Notes

Account Transfers, Securities Lending and Portfolio Moves on Record Date must be reported by 09:00 and committed by 10:00 on Settlement Date(S). Multiple settlement runs will be executed every hour, on the hour starting at 10:00 until 15:15.



Settlement Timelines (Continued)

Trade Type	Settlement Cycle	Reporting Time					Commit Time				
		EOD T	15:00 S-1	9:00 S	13:00 S	18:00 S	13:00 S-1	17:00 S-1	10:00 S	15:00 S	18:00 S
Off-Market Repo (First and Second Leg)	T+3; T+2; T+1		X					X			
	T+0				X					X	
Account Transfers on RD (Intra CSDP) (Inter CSDP not allowed)	Min T+0			X					X		
Account Transfer (Client type 30) (Both Inter CSDP and Intra CSDP)	Min T+0					X					X
Portfolio Moves (Client type 31) (Both Inter CSDP and Intra CSDP)	Min T+0					X					X
Lending Account Transfers (Client Type 33) (Both Inter CSDP and Intra CSDP)	Min T+0					X					X
Account Transfers on RD (Intra CSDP) (Inter CSDP not allowed)	Min T+0			X					X		
Portfolio Moves on Record Date (Intra CSDP) (Inter CSDP not allowed)	Min T+0			X					X		
Lending Account Transfers (Client Type 33) On RD (Intra CSDP) (Inter CSDP not allowed)	Min T+0			X					X		



Settlement Timelines (Continued)

Other Settlement Windows	Timelines
BTB Addition Time – All transactions	17:00 S-1
BTB Removal Time – All transactions	09:30 (S)
Uncommit Time – On/Off Market transactions	09:30 (S)
Moment of Finality	Before every settlement run
First Settlement Run	10:00
Subsequent Settlement Runs	Every hour on the hour (or as required under exceptional circumstances)
Last Settlement Run	15:15

Capital Event Timelines

Type	Notification Recipient	Time
Generation of Preliminary Notice of Events (PNOE) – MT564	CSDP	PD – 30 (BOD)
Generation of Final Notice of Events (FNOE) – MT564	CSDP	PD – 20 (BOD)
Generation of Eligibility on RD (REPE/REPL) – MT564 – ELIG (No Entitlements)	CSDP	RD (16h00)
Generation of Eligibility/Entitlements (REPE/REPL) – MT564 – ELIG/ENTL	CSDP	Real Time upon Issuer Agent Confirmation
Payment Advice to Issuer’s Settling Bank – MT298-129	Issuer’s Settling Bank	PD – 09h00
Funding Completion	Issuer’s Settling Bank	PD – 12h00
Payment Roll Over Notification – MT564	CSDP	PD, PD +1, PD+2 – 15h00
Generation of Withdrawal (If Payment is not done by PD+2) – MT564 - WITH	CSDP	PD +2 – 16h00
Generation of CA Confirmation – MT566	CSDP	PD, PD+1, PD+2 – As soon as Payment is confirmed
Generation of Entitlements (NEWM/COMP) – MT564	IA	RD – 13h30 *
Issuer Agent Confirmation – MT598-161 or MT564 (Interest and Partial Redemption)	Strate	Between RD and PD-2
Generation of CA Confirmation – MT566	IA **	PD, PD+1, PD+2 – As soon as Payment is confirmed

* Strate to monitor pending trades on RD. Strate Debt Team will liaise with the CSDPs on the status of the pending trades. If required, Strate can run RD batch for those impacted ISINs after 13:30.

** This will be aligned with Money Market model

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Visit www.strate.co.za

1st Floor, 9 Fricker Road, Illovo Boulevard, Illovo, Sandton, 2196, South Africa

Tel: + 27 (0) 11 759 5300 **Fax:** + 27 (0) 11 759 5500

Email: info@strate.co.za

