

## The ACI Dealing Certificate and How to Pass it

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### Standard period maturity dates

In Eurocurrency money market operations the standard period maturity dates are calculated based on the benchmark Spot date. The standard period maturity value date will normally be the same date in the appropriate forward month. For example, the three months maturity date from dealing date Monday 19th April 200X (Spot date Wednesday 21st April 200X) is Wednesday 21st July 200X (a three month period April to July 200X of 91 days), the six months forward value date is Thursday 21st October 200X (a six month period of 183 days) etc. etc.

As Spot date is affected by weekends and other non-business days in the financial centres where the currency will be settled, so too are the standard period maturity dates. If a holiday or other financial centre closure affects any such period the maturity date moves forward to the next working day. For example, the four month forward value date from dealing date Monday 19th April 200X (Spot date Wednesday 21st April 200X) is Monday 23<sup>rd</sup> August 200X - 21st August is a Saturday and the four month end date therefore moves on to the next business day giving a four month period in this instance of 124 days.

There is always an exception to every rule. In the case of money market maturity dates, there are two exceptions...

### Calendar month standard periods

No fixed period maturity date is ever quoted further forward than its standard period calendar month. In other words the one month date from March must always be a date in April. When, for example, at the end of the month of March 200X the last business day was the last calendar date - Thursday 31<sup>st</sup> March and this is today's Spot date:

Spot date:       **Thursday 31<sup>st</sup> March** (last business day in March)  
One month:      **Friday 29<sup>th</sup> April** (a one month period of 29 days)  
Two months:     **Tuesday 31<sup>st</sup> May** (a two month period of 61 days)  
Three months:   **Thursday 30<sup>th</sup> June** (a three month period of 91 days)

In the one month standard period the same calendar date in April does not exist (30 days) and the 30<sup>th</sup> (the last business date in April) is a Saturday, therefore the maturity date for the one month period is moved backward to the last business date in that month, i.e. Friday 29<sup>th</sup> April. The maturity date never crosses a month end "threshold".

### End/end rule

If the last business day in the current month is not the last calendar date in the month (due to a weekend or holiday), for standard period maturity date calculation purposes this date is deemed to be the month-end, and all other standard period maturity dates are then also the last business dates in the appropriate forward months. This rule is termed the "End/end" rule.

An example of this rule coming into play, again in 200X, is in April when the last business day as we have already seen is Friday 29<sup>th</sup> April. One to three months standard forward period dates from this Spot date are:

Spot date:       **Friday 29<sup>th</sup> April** (last business day in April)  
One month:      **Tuesday 31<sup>st</sup> May** (last business day in May, a 32 day period)  
Two months:     **Thursday 30<sup>th</sup> June** (last business day in June, a 61 day period)  
Three months:   **Friday 29<sup>th</sup> July** (last business day in July, a 90 day period)

...each month's final business date being treated as the maturity date due to the "End/end" procedures.