



REPUBLIC OF THE UNION OF MYANMAR

TREASURY BILL

OFFERING MEMORANDUM

This Offering Memorandum has been issued by the Treasury Department of the Ministry of Planning and Finance for the purpose of giving information with regard to the Treasury Bills issued by the Government of the Republic of the Union of Myanmar (“Myanmar Government”).

The Myanmar Government is granted the authority to issue Treasury Bills by the Union Budget Law.

TREASURY BILL DESCRIPTION

Republic of the Union of Myanmar Treasury Bills (“the Bills”) are Myanmar Kyat denominated Bills issued on a discount to par basis. Bills do not pay a coupon. The Face Value of the Bills is paid on maturity.

ISSUER

The Government of the Republic of the Union of Myanmar.

CREDIT RATING

As at the date of this memorandum, neither the Myanmar Government nor its debt securities are rated by any credit rating agency.

DEFINED TERMS

Expressions used in this Offering Memorandum and not otherwise defined, have the meanings given to them in the Glossary of Terms set out in clause six (6) of this Offering Memorandum.

INQUIRIES

For further information, inquirers may contact either the Ministry of Planning and Finance or the Central Bank of Myanmar.

Ministry of Planning and Finance : email- treasury.dmd@gmail.com and telephone number 067-410170, 067-410172.

Central Bank of Myanmar: email- thanthanswedd@gmail.com, fmd.cbm.ygn@mptmail.net.mm and telephone number 09-421104625, 01-8605097.

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1. TREASURY BILL DESCRIPTION

1.1. Description

The Bills are denominated in Myanmar Kyat only and issued on a discount to par basis. Bills do not pay a coupon, they do not have a nominal interest rate. The Face Value of the Bills is paid on maturity. The Bills are issued on the terms set out in this Offering Memorandum.

1.2. Issuer

The issuer of the Bills is the Government of the Republic of the Union of Myanmar as authorised by the Union Budget Law.

1.3. Registrar

The Central Bank of Myanmar is the Registrar.

1.4. Taxation

All Treasury Bills issued in the Republic of the Union of Myanmar shall be subject to all taxes in line with the provisions of existing laws, rules and regulations of the Republic of the Union of Myanmar.

2. AGREEMENT AND AGENT

2.1. Agreement

An agreement dated on 20-1-2015 between the Ministry of Planning and Finance and the Central Bank of Myanmar, sets out the terms for the delivery of services to the Ministry of Planning and Finance by the Central Bank. The agreement includes the appointment of an agent to act for the Ministry of Planning and Finance to issue Treasury Bills on behalf of the Government of Myanmar.

2.2.Agent

The Central Bank of Myanmar is the Agent of the Ministry of Planning and Finance for the issuance of the Government of Myanmar's Treasury Bills as per the Agreement between the Ministry of Planning and Finance and the Central Bank of Myanmar on Treasury Securities. The Ministry of Planning and Finance reserves the right to issue Treasury Bills directly or through any other agent that may be appointed.

3. ISSUANCE MATTERS

3.1.Issuance

Bills may be issued by way of auction, private placement or otherwise.

The Government of Myanmar reserves the right to issue Bills with the same Maturity Date as any other Bills already on issue, from time to time whether by auction, private placement or otherwise.

The details of any issuance are to be published no later than one business day after the issuance.

3.2. Settlement price

Bills are quoted on a discount Yield basis quoted to three decimal places. The settlement price is quoted per 100,000 Kyat face value. The price of Bills shall be calculated on a discount Yield basis using the following formula:

$$\text{Settlement Price} = \frac{100,000}{1 + \left(i \times \frac{n}{365}\right)}$$

Where:

- i is the discount Yield as an annual percentage rate to three decimal places divided by 100
- n is the number of full days from the Settlement Date to the Maturity Date inclusive

The settlement price will be rounded to the nearest hundredth of a Kyat.

3.3. Time to maturity - tenor

Treasury bills will be issued with a variety of maturity tenors (time to maturity) from one day to one year. At initial issuance, the nominal maturity tenors will typically be three, six and twelve months. For those tenors, at initial issuance the days to maturity will be within the following ranges:

- Three months: 77 to 105 days;
- Six months: 168 to 196 days; and
- Twelve months: 350 to 364 days.

3.4. Auction notice

At least one business day prior to an auction a notice will be placed on the website of both the Ministry of Planning and Finance and the Central Bank of Myanmar. Such a notice will detail:

- Auction date;
- Maturity dates to be offered; and
- Face value on offer at each maturity date.

3.5. Auction dates

Auctions will be conducted on Wednesdays as advertised in the calendar and auction notices. The results of the auction are to be published no later than one business day after the auction.

3.6. Auction conduct

Auctions will be conducted according to rules issued by the Central Bank of Myanmar. The Central Bank of Myanmar's auction rules are available from its website [www.cbm.gov.mm].

3.7. Settlement date

Settlement for issuance at auction will be on Friday, two days after the auction.

3.8. Maturity dates

Bills will mature on a Friday.

3.9. Calendar

In consultation with the Central Bank of Myanmar, the Ministry of Planning and Finance publishes a calendar of dates, which shows when Treasury Bills will be issued.

4. FORM, SETTLEMENT, REGISTRATION, TRANSFER

4.1. Form of Bills

Bills are issued in a Registered form, having a minimum Face Value of 500,000,000 Kyat and multiples of 10,000,000 Kyat thereafter settled and transferred through the Central Bank of Myanmar's settlement system.

4.2. Registration

The issue of the Bills will be in scripless or book-entry form and be effected and evidenced by particulars of the Bills being entered into the Register by the Registrar. The Register is maintained by the Central Bank of Myanmar.

4.3. Registration details

For every holder of Bills, the following particulars shall be entered into the Register:

- Name and address of the Billholder;
- Face value of the Bills held;
- Maturity Date of the Bills;

- Any other details that are required from time to time by the Ministry of Planning and Finance;
- Any other details that may be specified from time to time by the Registrar.

The Registrar may correct errors and remedy omissions in the Register.

4.4. Certificates of title

Billholders may on application to the Registrar be issued with a certificate of title certifying that the Billholder is the Registered holder of the Face Value of the Bills as detailed on the certificate.

When errors and omission are being corrected in the Register, the Registrar may call in outstanding certificates of title for that purpose. Corrected certificates of title will then be re-issued to Billholders if so required.

4.5. Transfers

After initial issuance, the Bills may be transferred to other persons in parcels having a minimum Face Value of 10,000,000 Kyat and multiples of 10,000,000 Kyat thereafter.

The Registrar will transfer Bills as per instructions in the Rules/ Guidelines for Central Securities Depository (CBM-NET CSD) issued by the Central Bank of Myanmar. The trading system, Central Bank of Myanmar Financial Network System (CBM-NET), will be used for the transfer of funds and the custody and settlement of the Bonds on a Delivery versus Payment (DvP) basis.

If Certificates of Title have been issued, they must be accompanied by the Transfer Form available from the Registrar. The Registrar may make inquiries, as deemed necessary, to ensure the authenticity of the transfer and the authority of the signatories to the Transfer Form to act.

5. MATURITY OF BILLS

5.1. Record date

The Record Date is five Banking Days before the Maturity Date of a Bill.

5.2. Maturity payment

On the maturity date, holders of the Bills as at the Record Date will be paid the face value of the Bills they hold.

If the maturity date is not a Banking Day, payment will be made on the next succeeding Banking Day without payment of additional interest.

Bills are not repayable before the Maturity Date.

The Ministry of Planning and Finance reserves the right to repurchase Bills prior to their Maturity Date.

6. GLOSSARY OF TERMS

For the purposes of this Offering Memorandum, the following definitions apply.

Banking Day	A day not being a Saturday or Sunday on which Registered Banks are open for general banking business in the city of Yangon, Myanmar.
Bills	Means Myanmar Government Treasury Bills issued pursuant to this Offering Memorandum.
Billholder	In respect of any Bill, the person whose name appears from time to time entered in the Register is the holder of the Bill.
Face Value	The par value (the stated value) amount of a Bill.
Kyat	The currency of Myanmar.
Maturity Date	The date as specified by the Issuer when a Bill is first issued on which the Bill will be repaid at its Face Value.
Myanmar	The Republic of the Union of the Myanmar.
Person	Is not limited to individuals, but includes incorporated entities, firms, partnerships any state or government or agency thereof.
Public Holidays	Are days designated by the Ministry of Foreign Affairs as official non-working public holidays in Myanmar, and are not banking days.
Record Date	Five Banking Days before the Maturity Date of a Bill.
Registered Bank	Has the meaning in the Financial Institutions of Myanmar Law (1990).