

Circulars/Notifications - Domestic Market & Monetary Management Department

DMMD Circular No. 05 of 2025

Jun 11, 2025

The Presidents/Chief Executives,
All Banks/Primary Dealers/DFIs

Dear Sirs/Madams,

Changes in Procedures of Government Securities Auctions and Monetary Policy Liquidity Operations in respect of Pakistan Real-Time Interbank Settlement Mechanism Plus (PRISM+).

Please refer to [DMMD Circular No. 06 of 2018](#) (Master Circular on Auction of Government Securities), [Circular No. 12 of 2017](#) (Master Circular - Open Market Operations), [Circular No. 23 of 2020](#) (Floating Rate Pakistan Investment Bonds), [Circular No. 07 of 2021](#) (Master Circular - Rules Governing Primary Dealer System), and [Circular No. 02 of 2025](#) (Buyback of Government Securities).

Pursuant to the launch of **PRISM+** System vide [DI&SD Circular No 01 dated June 11, 2025](#), a new interface has been developed for efficient conduct of auctions and market operations Accordingly, following changes are being made in procedures related thereto:

- 1. Auctions of Government Securities:** All auctions of Market Treasury Bills (MTBs) and Pakistan Investment Bonds (PIBs), including their buyback auctions, will be conducted through the **PRISM+**.
 - 2. Open Market Operations:** Conventional Open Market Operations (Injections, and Mop-up) will be conducted through **PRISM+**. However, Shairah Compliant OMOs as well as Bai Muajjal will continue to be conducted through the existing mechanism.
- In respect of Conventional OMOs conducted through **PRISM+**, following changes in the procedures are being introduced:
- a. All eligible institutions will submit bids at **PRISM+**. They will tag one or more than one government securities with each bid.
 - b. The face value of the bid will be considered equal to face value of tagged/offered government securities.
 - c. The realized value of the government securities will be calculated by **PRISM+** based on applicable revaluation rates, prices, and haircuts.
 - d. In case of multiple securities tagged with the bid subject to pro-rata, the government securities having shortest remaining life/maturity will be allocated first toward pro-rata.
- 3. Interest Rate Corridor Facilitates:** Conventional Reverse Repo (Ceiling) and Repo (Floor) facilities will be offered through new TMON/X platform. Shariah Compliant Corridor facilities will, however, continue to be conducted as per existing procedure.
- 4. Secondary Market Activities:**
- a. The **PRISM+** also offers a platform for secondary market outright and repo based trading of government securities. All government securities held in custody of SBP will be available for trading.
 - b. The **PRISM+** also provides mechanism for when-issued trading of PIB-Fixed coupon bonds before auctions.
 - c. All participants are encouraged to utilize the secondary market trading platform offered as part of **PRISM+**.
- 5. General Instructions:**
- a. Auction/OMO announcements and results will be visible on Bloomberg/Refinitiv in addition to **PRISM+**.
 - b. All participants will continue to send Auction, OMO and Corridor deal confirmation letters to SBPBSC-Karachi Office through existing DAP mechanism.
 - c. The timings for SBP liquidity facilities will be in sync with operational timings of **PRISM+** announced from time to time.

In light of above changes, specific revisions in various clauses of the relevant Circulars are attached at [Annexure-I](#).

The above changes will come into effect from **June 16, 2025**. All other instructions shall remain unchanged.

Yours Sincerely,

Sd/-
(Rizwana Rifat)
Additional Director

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