

July 2012

Sunday 22nd	Monday 23rd 13-week bill auction	Tuesday 24 th	Wednesday 25th Auction date	Thursday 26 th	Friday 27th Lockout Day 1	Saturday 28 th
Sunday 29 th	Monday 30th Lockout Day 2 13-week bill auction (not applicable for July 31 calculations)	Tuesday 31st Issue date				

Computing the index rate

The index rate that equals the simple-interest money market yield on an actual/360 basis is computed as follows:

$$r = \frac{D}{1 - \frac{\Delta T}{360} D}$$

where D is the discount rate (or auction high rate), and ΔT represents the number of days from (and including) the issue date of the 13-week bill to (but excluding) the maturity

date of the 13-week bill. In the table above, $r = \frac{0.095\%}{1 - \frac{91}{360} \times 0.095\%} = 0.095022819\%$.