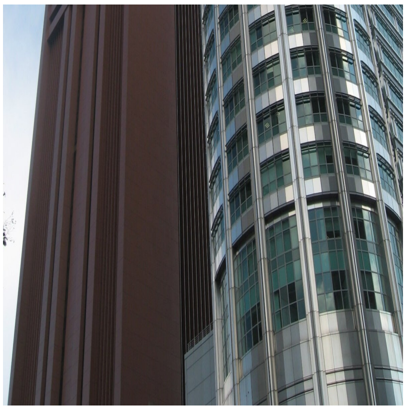

Non-Competitive T-Bill Bid: Model the 40% Pro-Rata Allotment Before Applying

Description

Answer first: A non-competitive T-bill bid accepts the cut-off yield but does not guarantee full allotment. MAS caps this pool at 40% of the public offer and pro-rates oversubscription.

This is a service guide for a retail investor choosing between a competitive and non-competitive singapore treasury bill application, centred on how to decide whether accepting the cut-off yield fits the plan and model a pro-rated allotment when non-competitive demand exceeds 40% of the issue without filling evidence gaps with assumptions. An eligibility signal, headline, displayed price or preliminary response is not presented as a secured outcome.

Before acting, write down the exact date, amount, person, place or account that makes this reader's case different from the general rule. That context check prevents a broadly correct source from being applied to the wrong transaction, household, journey or service.

What the official sources establish

Accept the cut-off yield

MAS explains that a non-competitive applicant does not specify a yield. This point is grounded in the primary official source.

Practical control: Use this route only if accepting the auction result fits. Keep a short audit trail: question asked, source opened, answer found, limitation noted and action authorised.

Model the 40% pool

MAS says up to 40% is set aside and oversubscription is pro-rated. This point is grounded in the primary official source.

Practical control: Plan for less than full allotment. Record the source date, the case-specific input and the final readback. An unanswered field remains open; it does not become a working fact.

Separate bid choices

Competitive applications specify yield and face a different exclusion risk. This point is grounded in the primary official source.

Practical control: Do not mix the two risk descriptions. Put the evidence beside the decision it supports, name its owner and set a stop condition for any missing or conflicting detail.

Check the channel

MASâ??s buying guide directs investors to bank, CPF and SRS routes. This point is grounded in the supporting official source.

Practical control: Confirm balances and cut-offs with the actual channel. Preserve the current authority page and the readerâ??s own record separately, so a general rule is not mistaken for case approval.

Track settlement and refund

Application, auction, issue and cash release are separate events. This point is grounded in the supporting official source.

Practical control: Keep a dated liquidity table. Date the check and state whether the result is confirmed, conditional or illustrative. Recheck it if the underlying event changes.

Decision table

Control point	Action	Authority
Accept the cut-off yield	Use this route only if accepting the auction result fits.	primary official source
Model the 40% pool	Plan for less than full allotment.	primary official source
Separate bid choices	Do not mix the two risk descriptions.	primary official source
Check the channel	Confirm balances and cut-offs with the actual channel.	supporting official source
Track settlement and refund	Keep a dated liquidity table.	supporting official source

Use the table to find the earliest stop condition before action. Assign every open item to the person who can obtain the authoritative readback.

Two original value tools

A worked 40% non-competitive pool and pro-rata allotment model

This first tool organises the decision evidence. Treat it as a decision aid, not proof of approval. The authority or operator still controls the live result, while the tool helps the reader notice gaps before action.

A competitive-versus-non-competitive decision table covering yield control, allocation risk and funding

This second tool supplies an independent cross-check. Build it row by row, showing the input, its authority, status, owner and stop condition. This is original analysis for the article, not an official form; current rules still need a fresh read.

Worked example

Illustration only: a S$20,000 application is modelled at S$20,000, S$16,000, S$12,000 and S$8,000 allotment. Unused cash is not committed elsewhere until the bank readback.

Its value is the sequence of checks, not any assumed amount or outcome.

Five failure modes to avoid

- Using a convenient proxy instead of resolving â??accept the cut-off yieldâ?•.
- Using a convenient proxy instead of resolving â??model the 40% poolâ?•.
- Using a convenient proxy instead of resolving â??separate bid choicesâ?•.
- Using a convenient proxy instead of resolving â??check the channelâ?•.
- Using a convenient proxy instead of resolving â??track settlement and refundâ?•.

The common risk is moving from incomplete evidence to action without a stop condition. Resolving the correct record early is safer than reconstructing it after a submission, payment, booking, medical change or dispute.

Action checklist

1. Use this route only if accepting the auction result fits. Keep the evidence that supports: MAS explains that a non-competitive applicant does not specify a yield.
2. Plan for less than full allotment. Keep the evidence that supports: MAS says up to 40% is set aside and oversubscription is pro-rated.
3. Do not mix the two risk descriptions. Keep the evidence that supports: Competitive applications specify yield and face a different exclusion risk.
4. Confirm balances and cut-offs with the actual channel. Keep the evidence that supports: MASâ??s buying guide directs investors to bank, CPF and SRS routes.
5. Keep a dated liquidity table. Keep the evidence that supports: Application, auction, issue and cash release are separate events.

Close only the rows supported by a final, identifiable readback. A named owner and a dated follow-up prevent an unresolved point from disappearing between people.

Limits and live verification

MAS auction terms and the bank channel control. This is not investment advice; yield, allotment and opportunity cost remain uncertain.

At the point of action, reopen the primary official source and supporting official source. Together they supply the central rule and a separate legal, operational or verification layer. Consequential details should not be inherited from a commercial summary.

Related LBRD guides

- compare T-bill funding routes
- compare pro-rata thinking with SSB allotment

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