



*Bahamas International Securities Exchange*

## **BISX PRESS RELEASE**

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### **THE CENTRAL BANK OF THE BAHAMAS BECOMES A BISX BROKER DEALER**

The Bahamas International Securities Exchange (BISX) is pleased to announce that The Central Bank of The Bahamas (the “Central Bank”) has become a BISX Broker-Dealer Member. The Central Bank will become the seventh BISX Broker-Dealer Member.

The Central Bank’s addition as a BISX Broker-Dealer Member is unique in that it is not becoming a Member for the purposes of transacting securities for individual investors. Rather the Central Bank’s purpose as a Member is a part of the broader initiative to list Bahamas Registered Stock (BRS), issued by the Government of The Bahamas (“the Government”), on BISX. The Central Bank’s Membership will allow it to trade directly in the secondary market for BRS should it see the need. Primary issuances of BRS will still be carried out through the Central Bank, as issuing agent for the Government.

Speaking on the addition of the Central Bank as a Broker-Dealer Member, Keith Davies, BISX’s Chief Executive Officer stated, “We are extremely pleased to welcome the Central Bank of The Bahamas as our newest Member. This is a momentous day in the Bahamian capital markets, as the Central Bank takes this action which allows it to transact directly on the Exchange. When considered in conjunction with the upcoming listing of all BRS on the Exchange and the dematerialization of all BRS, these initiatives position the Central Bank to continue to modernize its monetary policy framework. In the long term, these moves will promote the creation of a market-driven yield curve in The Bahamas that should allow all other securities to be priced more efficiently.”

Mr. Davies commented further on the significance of this new Member, stating, “the Central Bank went through a modified due diligence process compared to a private entity. We applied our Membership Rules and modified them in instances where the items were not relevant, for example in requiring Proof of Registration with The Securities Commission of The Bahamas. In the end, as with any other applicant, we presented all relevant information to the BISX Membership Committee who made the decision to approve the Central Bank. We would like to thank the Governor and staff of the Central Bank for their assistance during this review process.”



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Central Bank Governor, John Rolle, also commented on the membership, stating that “through the Bank’s presence on the Exchange, we wanted to ensure that there continued to be ample liquidity in the secondary market for Government securities. Retail investors, particularly, must be able to complete trades without delays. As necessary, the Bank will step in as counterparty to trades, to minimize execution delays. In the first instance though, the Bank will only quote its bid and offer rates, and allow market participants to conclude their own trades in mutual agreement with these rates or through a price discovery process that uses these rates as a baseline. Otherwise, the Bank continues to be the registrar for Government bonds and will perform this function for all such trades executed over BISX.”

BISX is committed to fostering the growth of the Bahamian Capital Markets. One of the means that the Exchange focuses on carrying out this goal is working closely with the Ministry of Finance and the Central Bank in continuing to develop the financial market infrastructure in The Bahamas.

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