



**DOMESTIC MARKET BRIEF**  
**1<sup>st</sup> QUARTER 2024**

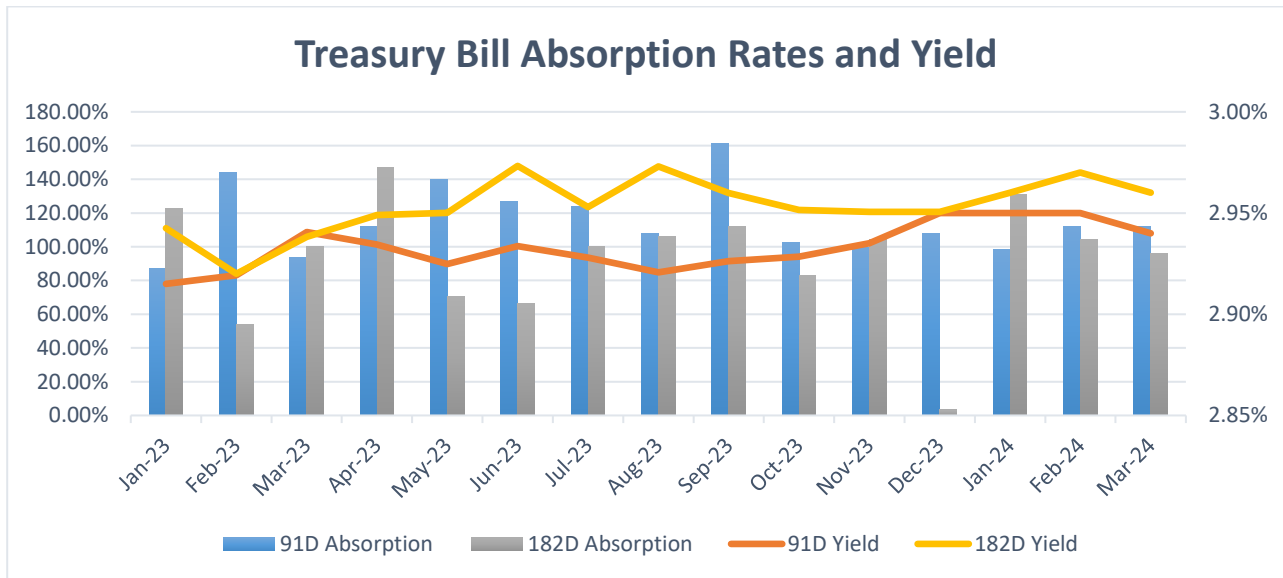
**Market Overview**

During the first quarter (Q1) 2024, approximately \$1.25 billion in Government paper was issued, which all reflected refinancing of existing debt obligations. Treasury bills (T-bills) and Bahamas Registered Stock (BRS) represented 81 percent and 19 percent, respectively, of the securities issued.

**Market Recap**

Treasury bills closed the period with an average absorption rate of 108 percent. A point-to-point comparison revealed a significant increase in demand for the 91-day T-bill, with an average absorption rate of 111 percent for Q1 2024 versus 103 percent in Q4 2023, due primarily to demand for the 91-day tenor in March’s interim auction. Further, absorption for the 182-day T-bill increased from 64 percent to 100 percent during Q4. Figure 1 below illustrates the uptick in market yields compared to the demand for T-bills during Q4.

**Figure 1:** Treasury bill absorption rates and yields

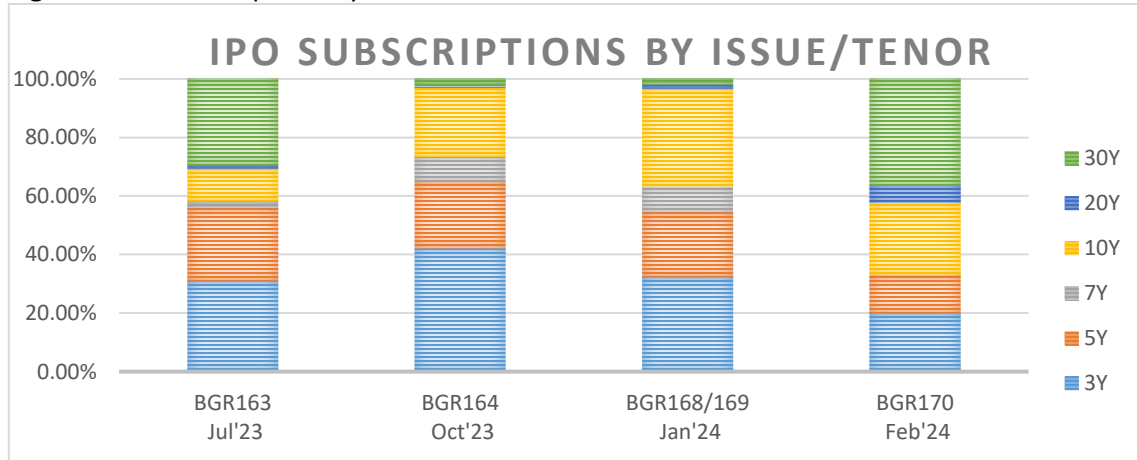


Market outcomes from Q1 2024 revealed a shift in preference for medium and long-term paper for institutional investors. The 3-, 10-, and 30-year tranches accounted for nearly 74 percent of the total Bahamas Registered Stock (BRS) subscriptions—trimming the observed significance of the 5-year tranche in Q4 2023. Further, the 7- and 20-year tranches accounted for only 9 percent of BRS subscriptions, again closing the quarter as the least preferred tranches. Additionally, the lone short-term BRS IPO was oversubscribed. Figure 2 below illustrates benchmark offers’ performance by tranche for Q1 2024.



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**Figure 2:** IPO subscriptions by issue and tenor



During the quarter, only one offering was undersubscribed—March’s standard 91- and 182-day monthly T-bill auction. Despite this shortfall, the average absorption rate for the quarter increased to 106 percent from 98 percent the last quarter. This was primarily due to oversubscriptions in other offers. Table 1 below displays Government Treasury Bills and BRS Benchmark Issuance Outcomes for Q1 2024.

**Table 1:** Treasury Bill and Bahamas Registered Stock IPO statistics

Month	Issue	Type	Issue Size (\$Mill)	Subscriptions (\$Mill)	Absorption Rate
Jan 2024	BSTB 00006766/6774	91D/182D	448.54	463.47	103%
Feb 2024	BSTB 00006782/6790	91D/182D	270.15	279.72	104%
Mar 2024	BSTB 00006816/6824	91D/182D	238.28	217.95	91%
Mar 2024	BSTB 00006808	91D/182D	54.50	72.45	133%
Jan 2024	BRS 168	IPO	30.00	36.07	120%
Jan 2024	BRS 169	Reopening	100.00	100.00	100%
Feb 2024	BRS 170	IPO	21.00	21.44	102%
Mar 2024	BRS 171	IPO Short-term	84.00	86.37	103%

All questions related to this document may be referred to the Central Bank’s Domestic Debt Unit at: [domesticdebt@centralbankbahamas.com](mailto:domesticdebt@centralbankbahamas.com).

The calendar of upcoming BRS offers is available at: <https://www.centralbankbahamas.com/news/brs-initial-public-offering-calendar>.