



PRESS RELEASE

TEMPORARY WAIVER OF INVESTMENT CURRENCY PREMIUM FOR PURCHASES OF BAHAMAS GOVERNMENT US DOLLAR BONDS

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The Central Bank of The Bahamas wishes to announce the temporary waiver of the Investment Currency Market (ICM) premium for resident investors (including entities) applying to invest in Bahamas Government bonds denominated in United States dollars, and currently trading in the international capital markets.

The ICM premium of 5.0% associated with purchases of foreign currency for these specific portfolio investments is being waived for a limited period. In particular, the Central Bank will monitor aggregate investor interest, to determine a future cut-off point for this accommodation.

The public is advised that in order to participate in and to conclude such purchases, they are required to engage a local broker dealer or authorized agent. The securities purchased must be kept in accounts held in the custody of the same authorised institutions.

Investor applications for approvals may be submitted directly to the Central Bank, or via the authorised broker dealers or trust companies, acting on behalf of the investor.

The Central Bank has seen increasing investor interest in purchasing the Bahamas Government instruments. After consultation with the Minister of Finance, it has been decided that applications to facilitate such transactions will be approved at the official market rate, by the Bank. The waiver of the ICM premium on outflows would preclude any approved transactions from the partial ICM premium rebate on the capital, on the liquidation of the investment and repatriation of proceeds to The Bahamas.