



DOMESTIC MARKET BRIEF

3rd QUARTER 2025

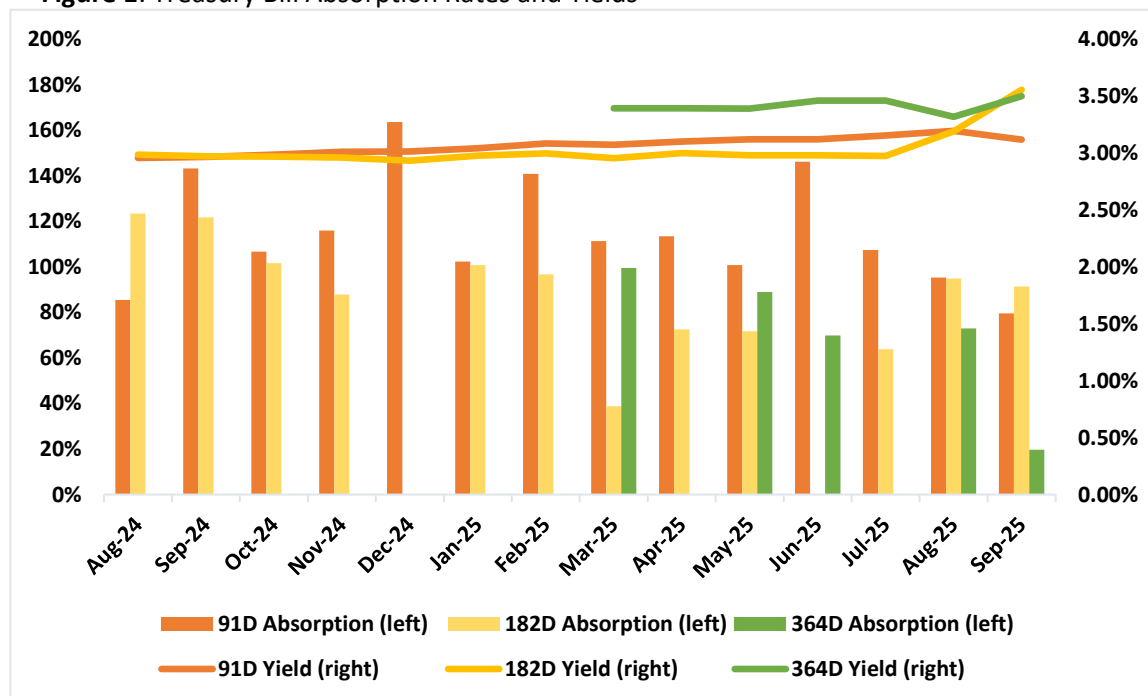
Market Overview

During the third quarter (Q3) 2025, approximately \$1.8 billion in Government paper was issued, primarily to refinance existing debt obligations. Treasury bills (T-bills) and Bahamas Registered Stock (BRS) offerings, including four re-openings, represented 89 percent and 11 percent, respectively, of the securities issued. The market absorption rate contracted from 105 percent in Q2 2025 to 88 percent in Q3 2025.

Market Recap

Treasury bills closed the period with an average absorption rate of 85 percent, a 22 percent contraction over the previous period. A point-to-point comparison revealed that this reduction was concentrated around the 91-, 182-, and 364-day T-bill, with average absorption rates of 92, 76, and 54 percent, respectively during the reporting period. Figure 1 below illustrates the variability in T-bill yields against demand for the 12-month period ending September 2025.

Figure 1: Treasury Bill Absorption Rates and Yields



Note: The first issuance of the 364-day T-bills took place in March 2025, with no subsequent issuance in July 2025

Investor BRS uptake amounted to \$222 million during the period, reflecting an oversubscription of \$29 million. The average absorption rate stood at 115 percent, a significant uptick from 79 percent in Q2 2025. All BRS offered during the period were re-openings of previous BRS issues. A tenor-based comparison for the quarter supports a general preference for the 3-year and 7-year tranches, which collectively accounted for 66 percent of total subscriptions. Average uptake of the 10- and 30-year tranches accounted for 24 percent, while the 5- and 20-year tranche recorded take-up of only 10 percent. Figure 2 below illustrates tenor performance for the various issues during Q3 2025.

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Figure 2: BRS Benchmark Subscriptions for Q3 2025

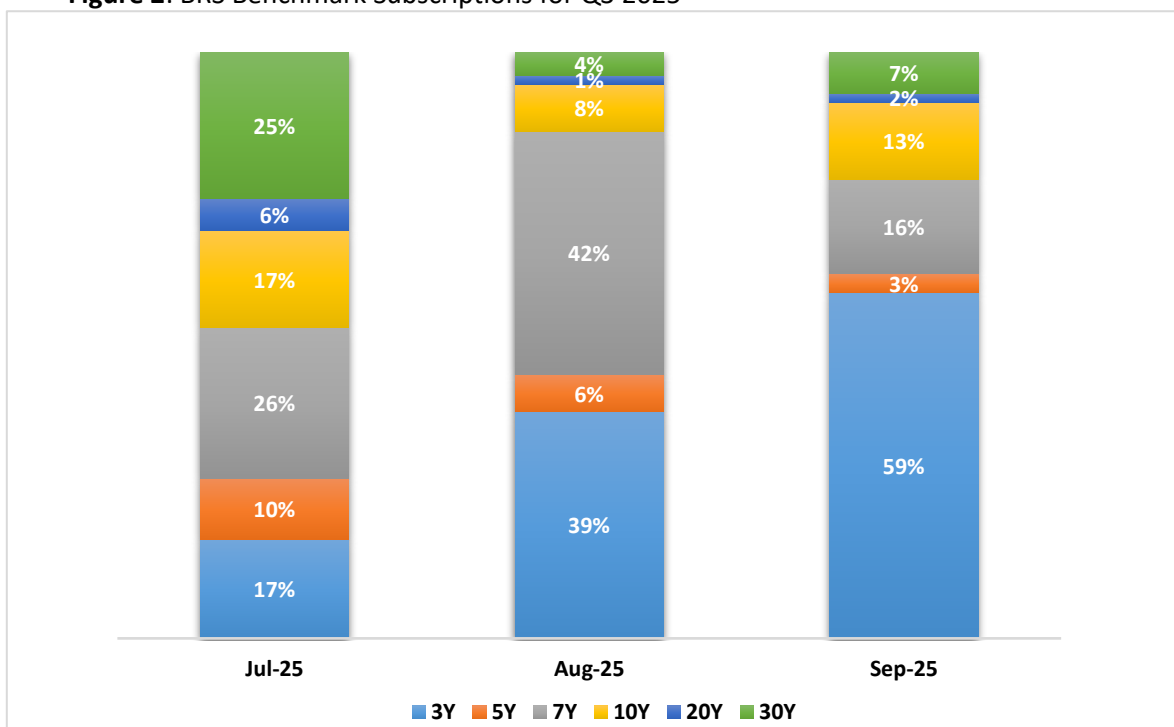


Table 1: Treasury Bill and Bahamas Registered Stock Reopening Statistics

| Month | Issue | Type | Issue Size (Millions) | Subscriptions (Millions) | Absorption Rate |
|----------------|--------------------------|---------------|-----------------------|--------------------------|-----------------|
| July 2025 | BSTB 00007236/7244 | 91D/182D | \$540.54 | \$533.09 | 99% |
| August 2025 | BSTB 00007251/7269/7277 | 91D/182D 364D | \$478.85 | \$418.56 | 87% |
| August 2025 | BSTB 00007285 | 91D | \$20.00 | \$20.00 | 100% |
| September 2025 | BSTB 00007293/7301/7319 | 91D/182D 364D | \$329.14 | \$202.38 | 61% |
| September 2025 | BSTB 000072327/7335/7343 | 91D/182D 364D | \$224.87 | 174.78 | 78% |
| July 2025 | BRS 157/174/179 | Reopening | \$22.00 | \$44.35 | 202% |
| August 2025 | BRS 94/157/176/179 | Reopening | \$30.00 | \$36.31 | 121% |
| September 2025 | BRS 94/106/157/170/179 | Reopening | \$41.10 | \$41.10 | 100% |
| September 2025 | BRS 183 | Reopening | \$100.00 | \$100.00 | 100% |

All questions related to this document may be referred to the Central Bank's Domestic Debt Unit at: domesticdebt@centralbankbahamas.com.

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