



## DOMESTIC MARKET BRIEF 4<sup>th</sup> QUARTER 2025

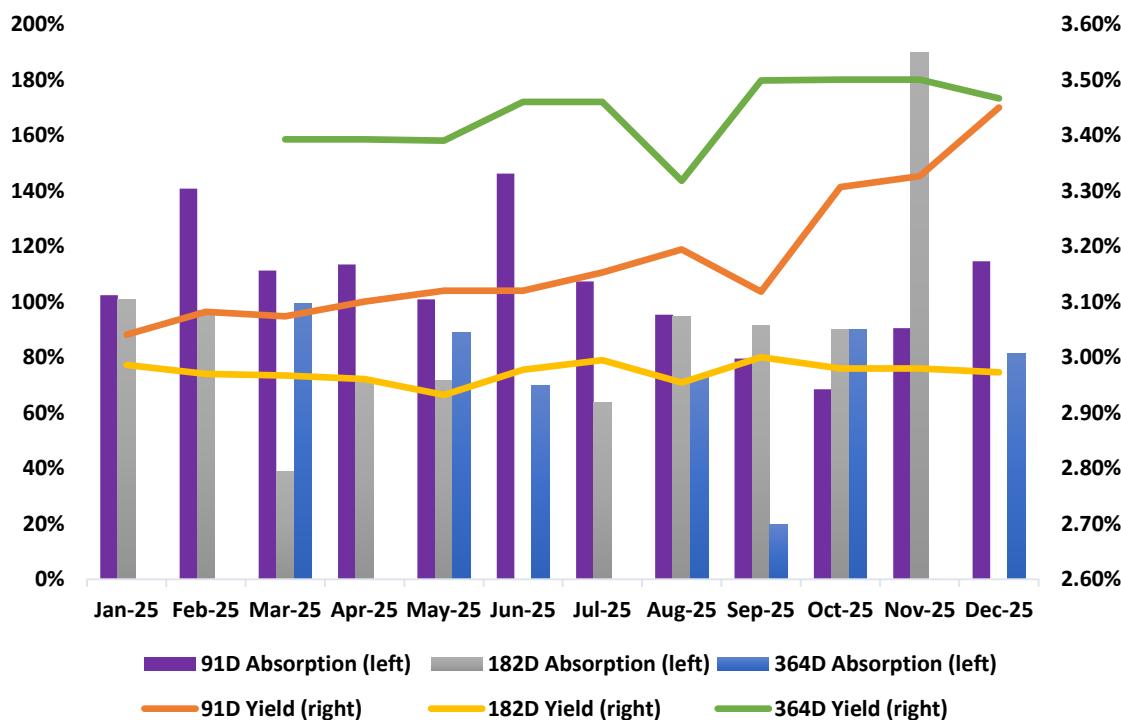
### Market Overview

During the fourth quarter (Q4) 2025, approximately \$1.9 billion in Government paper was issued, primarily to refinance existing debt obligations. Treasury bills (T-bills) and Bahamas Registered Stock (BRS) offerings, including six re-openings, represented 89 percent and 11 percent, respectively, of the securities issued. The market absorption rate increased from 88 percent in Q3 2025 to 93 percent in Q4 2025.

### Market Recap

Treasury bills closed the period with an average absorption rate of 90 percent, an expansion of 6 percent over the previous period. A point-to-point comparison reveals that this improvement was concentrated around the 182-day T-bill, which experienced an average absorption rate of 116 percent during the 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**



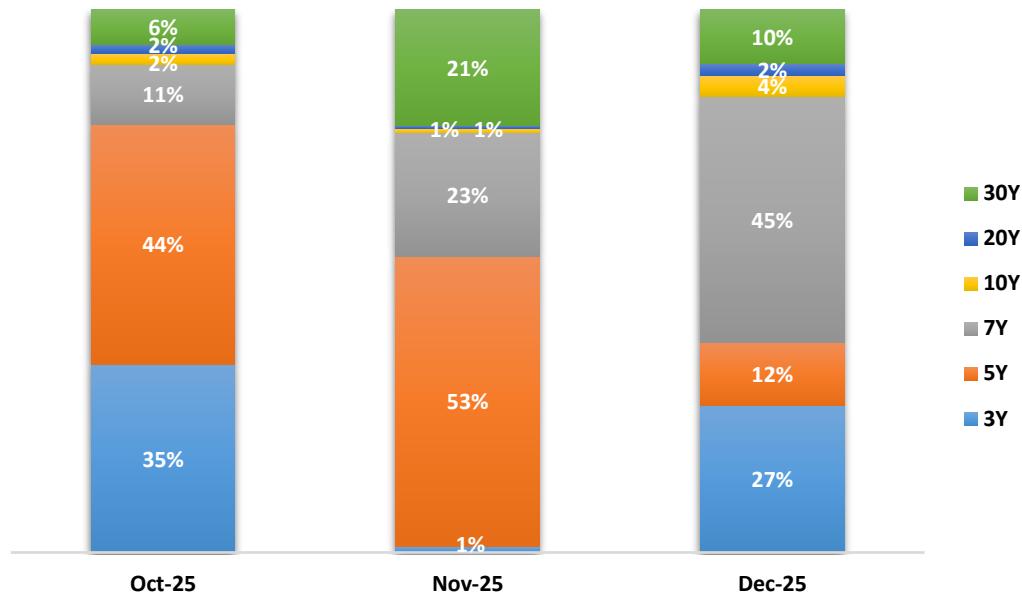
*Note: The first issuance of the 364-day T-bills took place in March 2025, with no subsequent issuance in July and November 2025*

Investor BRS uptake amounted to \$462 million during the period, reflecting an oversubscription of \$24 million. The average absorption rate remained strong at 112 percent, contracting slightly from 115 percent in Q3 2025. Investors continued to favor shorter-term BRS, with the 5-year tranche being the most favored during the period. Collectively, the 3-, 5-, and 7-year tranches accounted for an average absorption rate of approximately 84 percent of total subscriptions for the quarter. Average uptake of the 30-year tranches accounted for 13 percent, while the 10- and 20-year tranches recorded take-up of only 4 percent. All BRS offered during the period were re-

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openings of previous BRS issues. Figure 2 below illustrates tenor performance for the various issues during Q4 2025.

**Figure 2: BRS Benchmark Subscriptions for Q4 2025**



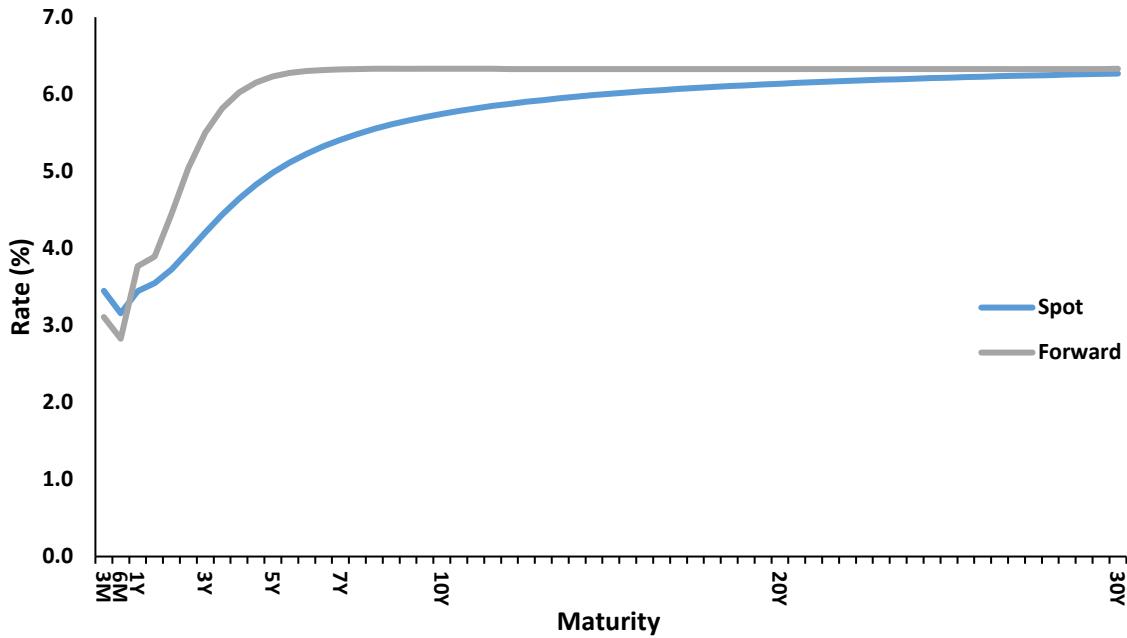
**Table 1: Treasury Bill and Bahamas Registered Stock Reopening Statistics**

Month	Issue	Type	Issue Size (Millions)	Subscriptions (Millions)	Absorption Rate
October 2025	BSTB 00007350/7368/7376	91D/182D/364D	\$620.24	\$442.56	71%
October 2025	BSTB 00007384	364D	\$231.88	\$208.40	90%
November 2025	BSTB 00007392/7400	91D/182D	\$329.46	\$318.04	97%
December 2025	BSTB 00007418	91D	\$179.55	\$218.84	122%
December 2025	BSTB 00007426	364D	\$140.94	114.78	81%
December 2025	BSTB 00007434	91D	\$154.28	187.74	122%
December 2025	BSTB 00007434	91D	\$50.00	\$50.00	100%
October 2025	BRS 94/107/127/155/170/178	Reopening	\$41.50	\$65.71	158%
October 2025	BRS 183	Reopening	\$45.00	\$45.00	100%
November 2025	BRS 141/183	Reopening	\$50.00	\$50.00	100%
November 2025	BRS 112/127/164/171/179	Reopening	\$30.00	\$26.12	87%
December 2025	BRS 94/109/127/160/178	Reopening	\$20.00	\$23.98	120%
December 2025	BRS 146	Reopening	\$20.00	\$20.00	100%

During the quarter, the yield curve remained inverted at the short end, as yields on the 91-day Treasury bill (3-month) continued to exceed those on the 182-day Treasury bill (6-month). Moreover, the implied forward curve lies below the spot curve at the short end, indicating market expectations of a decline in short-term yields in the near term. Beyond the short end, the yield curve remains upward sloping across the remaining maturities. The curve is relatively steep in the medium-term segment, while it flattens toward the long-term segment. Figure 3 presents the spot and implied forward yield curves as at 31<sup>st</sup> December 2025.

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**Figure 3: Domestic Yield Curve**



All questions related to this document may be referred to the Central Bank's Domestic Debt Unit at:  
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The calendar of upcoming BRS offers is available at:  
<https://www.centralbankbahamas.com/news/brs-initial-public-offering-calendar>.