



Press Release

The Bahamas Financial Stability Council Progresses 2026

The Bahamas Financial Stability Council ('the Council') held its second meeting of 2026 on 17 June 2026.

In its discussions, the Council reviewed recent trends in financial stability indicators, to assess whether the risk outlook had evolved significantly since 2025. Preliminary indications are that the financial sector remained sound, and risks continued to be centred on external factors, such as geopolitical risks that may impact inflation and interest rate trends, as well as cybersecurity and fraud related risks.

As to progress reports, the Council's Data Working Group (DWG) presented an update on its data collections activities across financial sector regulators, identified areas for harmonisation against common financial stability indicators and regulatory reporting templates.

Relatedly, in order to strengthen surveillance, Council members continued to identify and discuss domestic sectors and activities that have the potential to impact financial stability, and how these industries can be included in ongoing financial stability assessments. Building off of the discussion on non-bank financial activity in the previous meeting, the Council agreed to continue to engage the Gaming Board for The Bahamas on the interconnections between gaming sector flows and the banking sector. The Council also agreed to further strengthen analysis of real estate activities within the domestic economy, to assess knock-on effects on investment, credit and labour market activities. Also noteworthy, Members agreed to explore ways to improve estimations on concentration risks in credit and funding exposures among domestic financial institutions.

Council members committed to building collective capacity across regulators to formally incorporate the modelling of climate-related risks into domestic financial stability analysis, beyond the already significant qualitative weight that climate considerations currently receive. The Council members also committed to continued engagement with non-bank financial institutions to strengthen data collection, and bolster supervisory oversight of the sector, in relation to their significance to the overall soundness of the financial system.

The next meeting of the Council is scheduled for September 2026.

18 June 2026 ■

About the BFSC: The Bahamas Financial Stability Council (BFSC) was formed through a multi-agency Memorandum of Understanding (MOU) between the Ministry of Finance, the Central Bank of The Bahamas, the Securities Commission of The Bahamas, the Insurance Commission of The Bahamas, and the Deposit Insurance Corporation in December 2024. The BFSC serves as a collaborative platform for key regulatory and oversight bodies, to comprehensively monitor, assess and respond to emerging risks and vulnerabilities within the Bahamian financial system, through strategic coordination, information sharing, and proactive risk management.