



**CENTRAL BANK OF SRI LANKA
BANK SUPERVISION DEPARTMENT**

11 December 2020

BANKING ACT DIRECTIONS

No. 11 of 2020

**INVESTMENTS IN SRI LANKA INTERNATIONAL SOVEREIGN BONDS BY
LICENSED COMMERCIAL BANKS AND NATIONAL SAVINGS BANK**

Issued in terms of the powers conferred by Sections 46(1) and 76(J)(1) of the Banking Act No. 30 of 1988, as amended.

The Central Bank of Sri Lanka, with a view to easing the pressure on the exchange rate and the stress on financial markets due to the impact of the Covid-19 outbreak, requires the licensed commercial banks and National Savings Bank to suspend the purchase of Sri Lanka International Sovereign Bonds (ISBs) for a period of six months unless such purchase of ISBs is funded by new foreign currency inflows to such licensed banks sourced from abroad.

This Direction shall be implemented with immediate effect.

A handwritten signature in blue ink, appearing to read 'W D Lakshman', with a horizontal line underneath.

Prof. W D Lakshman

*Chairman of the Monetary Board and
Governor of the Central Bank of Sri Lanka*