

MONETARY BOARD

CENTRAL BANK OF SRI LANKA

23 April 2021

BANKING ACT DIRECTIONS

No. 06 of 2021

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 pressure on the exchange rate and considering the substantial amount of possible/potential outflow of foreign exchange by banks and its impact on banks' risk management, requires the licensed commercial banks and National Savings Bank to suspend the purchase of Sri Lanka International Sovereign Bonds until further notice.

Prof. W D Lakshman

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