



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

19 June 2020

BANKING ACT DIRECTIONS


No. 05 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 Covid-19 outbreak, requires licensed commercial banks and National Savings Bank to suspend the purchase of Sri Lanka International Sovereign Bonds (ISBs) for a period of three months unless such purchase of ISBs is funded by using new foreign currency inflows to the banks.

These Directions shall be implemented with immediate effect.


Prof. W.D. Lakshman
*Chairman of the Monetary Board and
Governor of the Central Bank of Sri Lanka*