

Statement issued by the Central Bank of Sri Lanka clarifying certain media reports on the Treasury Bond Auction held on 04.04.2017

The Central Bank of Sri Lanka (CBSL) wishes to clarify its position on misinterpretations reported by certain electronic media in relation to the recent auction of Treasury Bonds held on 04.04.2017.

The said auction was announced to issue Rs. 11.5 bn of Treasury bonds under three maturities viz. 04 years 08 months, 06 years 09 months and 09 years 04 months offering Rs. 4.0 bn, Rs. 4.0 bn and Rs. 3.5 bn, respectively.

At the auction held on 04.04.2017, the Tender Board decided to accept bids totaling to Rs. 11.48 bn vis-à-vis the aggregate offered amount of Rs. 11.50 bn thereby maintaining the accepted amount almost equal to the offered amount. Accordingly, CBSL wishes to reconfirm that it has maintained the best market practices of limiting the acceptances to the offered amount in aggregate terms in the primary issuance of government securities.