



**Securities and Exchange Commission
COMMUNICATIONS UNIT
57-59 Dundonald Street
Port of Spain**

MEDIA RELEASE

September 21, 2007

**Trinidad and Tobago Securities and Exchange Commission
holds hearing on the Bond trading rules**

The Trinidad and Tobago Securities and Exchange Commission (the Commission) held a hearing at its offices on September 21, 2007 to consider whether the Commission should make an order approving the adoption of the Trinidad and Tobago Stock Exchange Bond Trading Rules. These Rules seek to implement an automated secondary market trading platform for the trading of bonds issued by the Government of the Republic of Trinidad and Tobago through the Trinidad and Tobago Stock Exchange.

It has been proposed that the electronic trading platform of the Exchange (the Horizon Trading System) will be used to pursue this initiative, which is driven by the Government of Trinidad and Tobago, and is aimed at an organized system of trading government bonds, while simultaneously maintaining an efficient inventory of the ownership and transfer of these bonds. The Settlement of trades will be done through the Central Bank's Real Time Gross Settlement System (RTGS) between the Participants and the Central Bank.

The overall vision is to develop the capital market in a manner that is sustainable and it is hoped that this initiative will generate a greater level of activity in the secondary bond market, and at the same time provide a mechanism for other investment vehicles, such as corporate bonds and repurchase agreements to be traded.

The formalizing of bond trading on the Stock Exchange will also provide an opportunity for investors to switch the nature of their investment depending on market options. The participants in the process include the Government Securities Intermediaries (GSIs) as well as the securities firms and market actors who are already participants and members of the Stock Exchange.

The rules for registration of the market actors are supported by the Policy Guidelines for Registration of Securities Companies and Brokers to conduct trading in Trinidad and Tobago Government Bonds.”

Representatives of the Central Bank and the Stock Exchange as well as RBTT Merchant bank, CMMB and FCIB were present and indicated their support for the initiative and subject Rules.

END OF RELEASE

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