



Panama Stock Exchange

Member's Profile

Name of Stock Exchange	Bolsa de Valores de Panamá
Country/Region	Panamá, Rep of Panama
Name of CEO	Roberto Brenes P.
Capital (US\$)	\$8,471,480
Number of Officers and Employees	18
Ownership and Governance (Main Shareholders)	100

Brief History

In 1989, when Panama was passing through the worst political and economic crisis in its republican history, a group of businessmen conceived one of the most needed projects in the local financial market: the founding a stock exchange. This private sector initiative sought a centralized trading mechanism whereby the forces of supply and demand for securities could operate transparently and freely. In line with this objective, the Panama Stock Exchange, Inc. [Bolsa de Valores de Panamá, S.A. o BVP] was created. On the 26th of June of 1990, the BVP held its first trading session, marking a new stage in the development of the securities market in Panama. During the decade of the 90's, the BVP consolidated its position in the local competitive financial brokerage market, as more participants joined the BVP as seatholders or as Issuers and Investors. New institutions evolved to support the growth of the securities market. This led to an increase in trading volume, year after year, growing from US\$ 3.3 million in the year 1990 to US\$ 1,635.60 million in the year 2009. This growth was the result of a positive business environment, characterized by the return to political stability, together with far-reaching economic reforms, as well as the adoption of equal tax treatment for the different financial instruments, which eliminated the tax bias that existed until 1991 and which held back the development of the securities market.

Parallel with these developments, the BVP sought to modernize the local securities market by creating a securities liquidation and custody entity. This effort led to the creation of the Central Latinoamericana de Valores, S.A. o LatinClear, which started operations in 1997 to provide clearing and liquidation services for stock exchange operations through its electronic systems (instead of by manually means), thus making it possible to reduce operational risks and to efficiently liquidate and clear securities transactions.



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Practices and Procedures

Trading

Days	Monday - Friday
Hours	10am – 3pm
Market segmentation	Primary market – Secondary market - Repos
System	SITREL , Subasta Valores.
Mechanisms	Multiple price continuous auction – Auto Fit
Market-maker/Specialists	No
Instruments	Stock Market: Common stocks, preferred, investments funds. Debt: VCN's (short term), Corporate bonds, corporate notes. Government: treasury notes, treasury bills.
Currency	US \$
Real time information	Basic Data

Clearing & Settlement

Central Depository	Yes
Period	T+2
Registered	yes
Settlement	yes
Clearing	Yes
DVP	Yes
Clearing Institution	Latin Clear
Risk Sharing	
Margin/Lending	No
Custodians	Latin Clear

Taxes

Cash Dividends	10%
Interest Income	No
Capital Gains	No

Structure & Regulations

Legal	Public Entity Self Regulated under supervision of the National Securities Commission
Regulation	Self
Securities market regulations	Exchange, Superintendence of the Securities Market
Trading rules	Exchange, Superintendence of the Securities Market
Surveillance	Yes
Corporate actions	Yes
Trading halts regulations	Yes
Investor protection	Yes



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Foreign Participation

Foreign investors	Allowed
Investment limitations	No
Repatriation	No

Minimum Listing Requirements

No

Contact Information

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Remarks

Relevant Event – Corporate Reorganization

In an Extraordinary Assembly of Shareholders held on Thursday, October 22, 2009, the shareholders of Bolsa de Valores de Panama, S.A. (BVP) approved a corporate reorganization, by which Bolsa de Valores de Panama, S.A. (BVP) and Latin Clear, S. A. will constitute a holding company, consolidating in this, all the shareholders of the both companies.

Both Bolsa de Valores de Panama, and Central Latinoamericana de Valores, S.A., will remain as companies with separate operations and management but with common shareholders. This Corporate Reorganization holds all assets, liabilities, licenses, permits, rights, and obligations of the old company.