



## Panama Stock Exchange

### Company Profile

<b>Name of Stock Exchange</b>	Bolsa de Valores de Panamá
<b>Country/Region</b>	Panamá, Rep of Panama
<b>Name of CEO</b>	Olga Cantillo.
<b>Capital (US\$)</b>	\$3,377,233
<b>Number of Officers and Employees</b>	20
<b>Ownership and Governance (Main Shareholders)</b>	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\$ 5,323 million in the year 2017. 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 Latin Clear, 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.



## Panama Stock Exchange

### Practices and Procedures

#### Trading

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

#### Clearing & Settlement

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

#### Taxes

Cash Dividends	<b>10%</b>
Interest Income	<b>No</b>
Capital Gains	<b>No</b>

#### Structure & Regulations

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



## Panama Stock Exchange

### Foreign Participation

Foreign investors Allowed

Investment limitations No

Repatriation **No**

### Minimum Listing Requirements

No

### Contact Information

Myrna Palomo

Deputy General Manager

Phone: (507) 269-1966

e.mail: mepalomo@panabolsa.com

### 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.

In May 2017, BVP and El Salvador Stock Exchange had their first transaction in an integrated market between both countries. This integration project was started in 2008 with the creation of Amerca and was consolidated finally in 2017.

The group has major goals in improvement and development of the securities market, that's why starting from January 2019 BVP signed an agreement with NASDAQ for the replacement of the current transactional platform SITREL to the more modern platform NASDAQ.