

CSDs: DECEVAL (Colombia)

Date: 12 Jan 2009

SMI Markets: Colombia

CMIRR Markets: Colombia

## BVC Amends the Settlement Postponement Procedures

The Colombian Stock Exchange (Bolsa de Valores – BVC) has made some changes to the rules regarding the extension of the settlement cycle for equities and fixed income transactions. The changes, which took effect on 2 January 2009, are as follows:

### Equity Transactions

BVC withdrew the facility whereby the settlement date, which is normally T+3, could be postponed until T+6. However, in the event that an extension is needed, the counterparty and the stock exchange can agree on postponing the settlement to T+4 provided a special request has been made. The extension will be subject to a penalty fee which will be based on the maximum interest rate approved by the Superintendence of Finance (market regulator).

Note: the maximum interest rate is published on the Superintendence of Finance website on a quarterly basis.

### Fixed Income Transactions

The postponement period for the settlement for fixed income transactions has been reduced from T+5 to T+3. The normal settlement cycle is T+0 and extending the settlement is not subject to penalty fees.

## CSD Risk Impact

### DECEVAL (Colombia)

CSD Rating: A

CSD Flash Impact: Positive

Impacted Risk Type: Counterparty Risk

Current Rating = A-

Flash Impact = Positive

The changes to the maximum settlement postponement periods for equities and fixed income transactions reduce the periods when counterparties are exposed to each other; hence, the impact on counterparty risk is 'Positive'. Furthermore, the penalty applied to the settlement postponement of equities trades will encourage participants to settle on the standard T+3 cycle.

## Market Information Impact

### Colombia

This information affects the data contained in the Settlement sections of the Securities Market Information Service.

## Infrastructure Risk Ratings Impact

### Colombia

Market Rating: A

Market Flash Impact: Positive

Impacted Risk Type: Counterparty Risk

Current Rating = BBB

Flash Impact = Positive

The changes to the maximum settlement postponement periods for equities and fixed income transactions reduce the periods when counterparties are exposed to each other; hence, the impact on counterparty risk is 'Positive'. Furthermore, the penalty applied to the

settlement postponement of equities trades will encourage participants to settle on the standard T+3 cycle.

---

Related Flash: [Proposal to Eliminate the Settlement Deferral of Equity and Fixed income Instruments, 04/12/2007 \(click to view\)](#)

---

**For further information contact:**

Ana Giraldo - Americas and Eurasia  
Peter Katz - Asia Pacific  
Jim Micklethwaite - Western Europe (incl. EU)  
Barry Morales - Africa, Middle East

Tel: (+44) 20 7830 8300 | Fax: (+44) 20 7287 1549  
Email: [cmiqueries@thomasmurray.com](mailto:cmiqueries@thomasmurray.com)

*Whilst reasonable care has been taken in the compilation of this information, neither Thomas Murray, its affiliates or information contributors shall have any liability for any errors, omissions, delays or inadequacies in the information or for any loss or damage however occasioned (whether arising directly or indirectly), to any person or company relying on this information, or any decision made, action or inaction taken by any party in reliance upon this information (except to the extent permitted by law).*

---

© Thomas Murray Ltd. 2009

