

CSDs: Sri Lanka CDS (Sri Lanka)

Date: 12 Oct 2009

SMI Markets: Sri Lanka

CMIRR Markets: Sri Lanka

## CSE to Introduce CCP and DVP Settlement Model

The Colombo Stock Exchange (CSE) is working towards the introduction of a central counterparty (CCP) and delivery versus payment (DVP) model for the clearing and settlement of trades executed on the CSE. The initial discussion paper has been presented to the participants of the CSE and the Central Depository System.

Further developments will be announced in due course.

## CSD Risk Impact

### Sri Lanka CDS (Sri Lanka)

CSD Rating: BBB

CSD Flash Impact: Stable

Impacted Risk Type: Counterparty Risk

Current Rating = BBB

Flash Impact = Stable

The introduction of a CCP and DVP settlement is expected significantly reduce the counterparty exposure between the buyer and the seller. Clearing and settlement efficiency may also be improved by the multilateral netting model used by CCPs.

However, the project is at a very early stage, hence, the impacts are set to 'Stable'.

## Market Information Impact

### Sri Lanka

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

## Infrastructure Risk Ratings Impact

### Sri Lanka

Market Rating: A-

Market Flash Impact: Stable

The introduction of a CCP and DVP settlement is expected significantly reduce the counterparty exposure between the buyer and the seller. Clearing and settlement efficiency may also be improved by the multilateral netting model used by CCPs.

However, the project is at a very early stage, hence, the impacts are set to 'Stable'.

**For further information contact:**

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

Tel. +44 (0) 20 8600 2300 | Fax. +44 (0) 20 8741 7468

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).*

---

Registered office: International House, 21 Hanover Street, London W1S 1YU.  
Registration Number: 2964231 Place of Registration: England & Wales.

© Thomas Murray Ltd. 2009

