



Central Bank of Trinidad and Tobago

Eric Williams Plaza, Independence Square, Port-of-Spain, Trinidad, Trinidad and Tobago
Postal Address: P.O. Box 1250
Telephone: (868) 621-CBTT (2288), 235-CBTT (2288); Fax: (868) 612-6396
E-Mail Address: info@central-bank.org.tt
Website: www.central-bank.org.tt

July 1, 2022

CIRCULAR LETTER TO:

All Institutions:
Licensed Under the Financial Institutions Act, 2008
Registered Under the Insurance Act, 2018
Financial Holding Companies

Copied to:

Trinidad and Tobago Unit Trust Corporation
Trinidad and Tobago Mortgage Finance
Home Mortgage Bank, Agricultural Development Bank
National Insurance Board, BATT, ATTIC, ICATT
Caribbean Actuarial Association
Trinidad and Tobago Securities and Exchange Commission

REF: CB-OIFI-1519/2022

GUIDELINE ON THE MANAGEMENT OF MARKET RISK

By circular letter [REF: CB-OIFI-947/2021](#) dated May 3rd, 2021, the Central Bank of Trinidad and Tobago ("Central Bank"/"Bank") issued its draft guideline entitled "*Guideline for the Management of Market Risk*". The Bank advises that after review of industry comments the Guideline has now been finalised and can be accessed on the Bank's website at <https://www.central-bank.org.tt/publications/legislations-and-guidelines/banking-sector-legislation-and-guidelines> and <https://www.central-bank.org.tt/publications/legislations-and-guidelines/insurance-sector-legislation-and-guidelines>.

The Bank's responses to industry comments on the Guideline can also be viewed at <https://www.central-bank.org.tt/core-functions/supervision/banking-sector-draft-consultation-papers> or <https://www.central-bank.org.tt/core-functions/supervision/insurance-sector/draft-and-consultation-papers>.

The Central Bank expects institutions to review this Guideline and take steps to enhance their market risk management systems and processes in line with the minimum standards set out therein.

In particular, institutions licensed under the Financial Institutions Act, 2008 and registered under the Insurance Act, 2018 are required to conduct a self-assessment against the Guideline and put in place a board-approved action plan within 6 months of the Guideline's issuance. The action plan should detail the actions to be taken to remedy identified deficiencies within 12 to 18 month of the Guideline's issuance.

Your usual co-operation is anticipated.

Yours sincerely

Patrick Solomon

INSPECTOR OF FINANCIAL INSTITUTIONS