



12th April 2016

Circular BM 1144

To: All Licensed Banks Operating in the Sultanate of Oman

After Compliments,

Sub: Maximum Limit of Investment by Licensed Banks in Government Development Bonds and Sukuk

1. Attention of licensed Banks is invited to the provisions of Article 65(d) of the Banking Law No. 114/2000, and Circular BM 938 dated 13th May 2002.
2. In order to provide Licensed Banks with enhanced opportunities for investing surplus money beyond the stipulated lending ratio limitation, the Board of Governors has decided to raise the maximum permissible limit on investment in Government Development Bonds and Sukuk from **30% to 45%** of a Bank's networth effective from 1st April 2016.
3. Licensed Banks are further advised that the networth position during any year used in the calculation of these limits will, henceforth, be based on their Audited Balance Sheet as of December 31st, of the previous year.

Best Regards,

**Hamood Sangour Al Zadjali
The Executive President**