



CREATING PROSPERITY BY CONNECTING INVESTMENT OPPORTUNITIES TO INVESTORS

INVESTORS' CORNER

Safely Investing in Curaçao

"The policy of being too cautious is the greatest risk of all."

J. Nehru

Does Curacao have a stock exchange? Where is it located? Who governs it? If I decide to buy something, how do I know my money is secure on the exchange? How do I know what is happening with the stock I buy?

I am sure these are some of the many questions that swim around in your mind whenever you start to think about investments here in Curacao. This week's article will try to address the practical concerns that you may have regarding our local exchange.

Did you know? The Dutch Caribbean Securities Exchange is the only exchange in the Dutch Caribbean and it so happens to be located here in Curacao; on A.M. Chumaceiro Boulevard No. 3, right in the middle of Punda!

The Exchange was established in 2009 and has been growing ever since with over 30 listings. The most recent listing by a local company was in 2016 when Building Depot raised financing through the exchange which allows investors to buy their bonds. Don't worry, if you missed out on that, you will soon be able to get in on the action with the expected increase in activity the DSCX is planning.

The governance of DCSX is very strong and is similar to what you will observe in many other countries. The DCSX is licensed by the Ministry of Finance and is monitored to ensure that it acts within the requirements of its license and the laws of Curacao. An additional level of external supervision is done by the Central Bank of Curacao and Sint Maarten. That is just external regulatory oversight!

Additionally, direct supervisory oversight is managed by the DCSX Foundation which consist of reputable members of the financial institutions in Curacao. Even more, the Exchange has a Board of Directors that provides a second tier of operational supervision of the activities of the Exchange. As

you can see, there is a comprehensive governance structure that ensure that the DCSX is performing its activities well and that it provides a secure and safe environment for trade.

Moreover, before a company is listed on the exchange and is offered to the public, they have to go through a strict listing process to ensure that the information presented to the public is accurate and complete. The DCXS has guidelines and regulations that companies should comply with, before they listed and even while they are listed, so that the investors' interests are protected.

Whew! Seems like a lot, huh? But all of this is to ensure that the exchange offers a safe environment for trading.

Now, if you buy securities on DCSX and want to know how it is doing, the stock exchange has on its website updated prices of all the securities that are listed. The website tracks the current prices, so you will be able to know readily and easily whether the price of your stock has increased or decreased. Not only that, but because this information is public and transparent, it is much easier to sell your stocks or bonds to others or to buy from them too. Isn't that grand? Aren't you more comfortable? I am sure you are!

So, now that we appreciate the security that the DCSX offers, how do you start to trade? We will explore tips for beginners in the next publication.

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This editorial is presented to you by the DCSX with the collaboration of Vertex Investments.

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