



**BANK of ZAMBIA**

**OFFICE OF THE DEPUTY GOVERNOR - OPERATIONS**

**October 20, 2008**

**CB Circular No : 10/2008**

**To : All Commercial Banks**

**RESTRUCTURING OF THE REDISCOUNT WINDOW**

All commercial banks are hereby advised that the Bank of Zambia has with immediate effect reduced the Price Penalty for rediscounting Treasury bills above the current threshold of 10 percent of regulatory capital from **7 percent to 3.5 percent.**

All the other charges when rediscounting Treasury bills within the 10 percent of regulatory capital remain unchanged. These charges are 0.64%, 0.73% and 0.84% on price, income and cost, respectively.

**Denny H. Kalyalya (Dr.)**

Cc Governor