BANK *of* ZAMBIA

OFFICE OF THE DEPUTY GOVERNOR - OPERATIONS

July 21, 2003

CB Circular: No. 12/2003

To: All Commercial Banks

REVISION OF FINANCIAL MARKETS RETURNS

The advent of the Broad-based Interbank Foreign Exchange Market (IFEM) has necessitated a change to the foreign exchange returns submitted to Financial Markets Department at the Bank of Zambia. In this regard, find attached hereto copies of the revised forms FMX1 and FMX2. In addition, forms FMX3 and FMX4 have been introduced. Submission of these returns commences on 23rd July 2003.

Kindly be advised that henceforth commercial banks are required to submit the FMX1, FMX2 and FMX3 returns by 17:30 hours on the day of transactions. On the other hand, form FMX 4 shall be submitted on the last working day of the week. Furthermore, with specific reference to FMX2 and FMX4, preliminary returns will have to be submitted by 17.30 hours on the trading day while substantive returns must be submitted the following day by 09:00 hours.

All commercial banks are expected to submit correct returns within the stipulated times as failure to comply with the requirements shall result in the affected commercial bank(s) being levied a fee of K100,000 per day per return for late or wrong submission of return(s).

Denny H Kalyalya (Dr)
DEPUTY GOVERNOR – OPERATIONS

Cc: Governor

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FORM FMX 1

BANK OF ZAMBIA

FOREIGN EXCHANGE MARKET DAILY RATES RETURN

(Confidential and not available for inspection by the public)

Name of Bank: ______________________

Date: ____________

	Against Kwacha			
	BID		OFFER	
	Low	High	Low	High
1. US dollars				
Counterparties				
(a) Non-bank				
(b) Bureaux de change				
(c) Interbank				
2. Other currencies	Low	High	Low	High
(a) UK pound sterling				
(b) Euro				
(c) South African rand				
(d) Zimbabwe Dollar				

Authorized signatory: .... Title: ....

Authorized Signatory: .... Title: ....

Notes

i. **Non-banks:** All customers other than (b) and (c).

FORM FMX 2

BANK OF ZAMBIA

FOREIGN EXCHANGE MARKET
DAILY VOLUME TRANSACTIONS RETURN

Name of Commercial Bank: ....

Date: ....

(All amounts to be reported in the respective currencies)

Counterparties	Particulars	US$ 1	Euro 2	British pound 3	SA Rand 4	Zim dollar 5	Others (specify) 6
	1) Opening position (previous day's closing position)						
Bank of Zambia	2) a) Purchases b) Sales c) Net (a-b)						
	3) Inter currency transfers						
Interbank	4) a) Spot Purchases b) Forward Purchases c) Net purchases (a+b) d) Spot Sales e) Forward Sales f) Net Sales (d+e)						
Bureau	5 a) Purchases b) Sales c) Net (a+b)						
Non-banks (all others)	6) a) Spot Purchases b) Forward Purchases c) Purchase Cancellations d) Net purchases (a+b-c) e) Spot Sales f) Forward Sales g) Sale Cancellations h) Net Sales (e+f - g)						
	8) Closing position in respective currencies						
	9) Closing Position in Kwacha						
Interbank	Swaps (in US$ - Kwacha)						

Net position in Kwacha: ______________

Net position in US Dollars: ______________

FORM FMX 3

BANK OF ZAMBIA

FOREIGN EXCHANGE MARKET
POSITION STATEMENT
(volumes in respective currencies)

Name of Bank: ______________________________

Date: ________________

Currency	Opening	Closing	High	Low
US $				
UK £				
Euro				
SA Rand				
Zim $				

Authorized signatory: .... Title: ....

Authorized Signatory: .... Title: ....

FORM FMX 4

BANK OF ZAMBIA

Forex Market Operation – Weekly Statement
(in U.S.$)

Name of Bank: ______________________________

Date	Non-banks		Net	Actual Position A	Projected/ Anticipated		Net B	Variance A-B
	P	S	1 – 2)		P	S	(5 – 6)	
	1.	2.	3.	4.	5.	6.	7.	8.

Note:

- Column 1 & 2 excludes interbank transactions but includes transactions with bureaux.

- Column 4 – Actual open position.

- Column 5, 6 – Based on the commitments by non-banks to Sell (S)/Purchase (P) after market hours, delayed reports from branches, realization/payment advices received from correspondents e.t.c.

- Amounts exceeding US$250,000.00 – indicate buyers/ sellers and amounts as an attachment

Figures must be reported to the nearest 1000.