



BANK of ZAMBIA

OFFICE OF THE DEPUTY GOVERNOR - OPERATIONS

December 15, 2008

CB Circular No : 13/2008

To : All Commercial Banks

REVIEW OF THE BROAD - BASED INTERBANK FOREIGN EXCHANGE MARKET SYSTEM

Reference is made to Bank of Zambia Circular Number 09/2008 dated 20th October 2008.

The Bank of Zambia has made the following amendments to Circular Number 09/2008:

- (i) Clause (iv) is amended as follows: "Consistent with the increased daily volumes and high value market transactions, the marketable threshold amount for a two-way quote shall now range between US\$500,000.00 and US\$1,000,000.00 or equivalent in other currencies. This measure shall apply to all transactions on the interbank market and with the Bank of Zambia."
- (ii) Clause (viii) is amended as follows: "To facilitate the development of the forward market, all commercial banks shall provide forward quotes and post the information on Reuters Page ZMK = 1. All commercial banks shall also continue to provide information on forward contracts (products) with counterparties on forms FX-Dailyfwsales-schedule 1C and FX-dailyfwpur-schedule 1D, submitted to the Bank of Zambia on a daily basis. This data on the volumes of forward sales and purchases shall be consolidated and posted by the Bank of Zambia on its website, www.boz.zm."

All other clauses in Circular 09/2008 remain unchanged.

The above measures take effect immediately.

Denny K Kalyalya (Dr)
DEPUTY GOVERNOR - OPERATIONS

Cc: Governor