



Bank Of Zambia

OFFICE OF THE DEPUTY GOVERNOR - OPERATIONS

BOZ/EXE/DGO/fmkts/cm

20th March, 2015

CB Circular No: 07/2015

To : All Commercial Banks

ADJUSTMENT TO THE STATUTORY RESERVE RATIO AND THE OVERNIGHT LENDING FACILITY RATE

Kindly refer to CB circulars Nos. 05/2014 and 15/2014 dated 24th February and 30th May, 2014, respectively.

The Bank of Zambia wishes to advise all commercial banks that the statutory reserve ratio on both Kwacha and Foreign Currency Deposits, including Government Deposits and Vostro Account Deposits, has been increased by 4 percentage points to 18 percent with effect from Wednesday, 8th April, 2015.

Further, the Bank of Zambia has adjusted the Overnight Lending Facility Rate to 6 percentage points from the current 9.5 percentage points above the Policy Rate, which currently stands at 12.5 percent.

For further clarification, banks are advised to contact the Bank of Zambia's Financial Markets Department.

The Bank of Zambia will continue to monitor developments in the macroeconomic environment and stands ready to take other measures as deemed necessary.

Bwalya K. E. Ng'andu (Dr)
DEPUTY GOVERNOR – OPERATIONS

Cc: Governor