



**BANK of ZAMBIA**

**OFFICE OF THE DEPUTY GOVERNOR - OPERATIONS**

BOZ/EXEC/DGO/fmks/bp

November 6, 2020

CB Circular No. : 28/2020

To : All Heads of Commercial Banks

**AMENDMENTS TO THE INTERBANK FOREIGN EXCHANGE MARKET RULES**

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Reference is made to CB Circular No. 09/2020 dated March 24, 2020, on the above subject matter.

In our continued efforts to improve transparency and strengthen the operations of the domestic foreign exchange market, the Interbank Foreign Exchange Market (IFEM) Rules have been revised. Commercial banks are advised that Clause 5 of the IFEM Rules has been revised to include the following:

- 5.5 An Authorised Dealer shall not deal at prices that are outside its current retail board rates;
- 5.6 An Authorised Dealer shall not buy foreign exchange from retail and corporate clients at prices that exceed its current interbank bid price and shall not sell foreign exchange to retail and corporate clients at prices that exceed its current retail board offer rate.

The changes are with immediate effect.

The Bank of Zambia will continue to closely monitor the developments in the foreign exchange market and to provide further guidance when necessary.

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

A handwritten signature in blue ink, appearing to read 'Francis Chipimo'.

**Francis Chipimo (PhD)**  
**DEPUTY GOVERNOR – OPERATIONS**

cc Governor