



CENTRAL BANK OF NIGERIA

Corporate Head Office
Central Business District
P.M.B. 0187, Garki, Abuja, FCT

TRADE & EXCHANGE DEPARTMENT

Tel: **09 46237800**

09 46237811

Fax:

E-mail address: ted@cbn.gov.ng

TED/PFO/FPC/GEN/01/019

October 10, 2011

TO: ALL AUTHORISED DEALERS

**REDUCTION OF FOREIGN EXCHANGE NET OPEN POSITION (NOP)
OF BANKS**

This is to inform all Authorized Dealers that following the review of recent developments in the foreign exchange market, the Monetary Policy Committee (MPC) at its Extra-ordinary meeting held on 10th October 2011, reviewed the Net Open Position (NOP) of Authorized Dealer Banks.

Accordingly, the current NOP of five percent (5%) has been reduced to one percent (1%) of net shareholders' funds. In addition, banks with negative shareholders' funds are to maintain zero NOP and therefore are not to hold a position at the close of business each day. The reduction of the NOP takes effect from 14th October, 2011.

Furthermore, Authorized Dealers are not allowed to access WDAS and the Standing Lending Facility (SLF) on the same day.

Authorized Dealers are enjoined to ensure compliance as any breach shall attract appropriate sanctions, including suspension from the foreign exchange market.

BATARI MUSA

DIRECTOR

TRADE AND EXCHANGE DEPARTMENT

CENTRAL BANK OF NIGERIA