

## Foreign Exchange Policy Department

Bangladesh Bank  
Head Office  
Dhaka  
www.bb.org.bd

FE Circular No. 9

Date: 26 January, 2025

All Authorized Dealers in  
Foreign Exchange in Bangladesh

Dear Sirs,

### **Forward sale and purchase in foreign exchange**

Please refer to paragraph 8, chapter 4 of Guidelines for Foreign Exchange Transactions-2018, Vol-1 and its subsequent circular(s) in terms of which Authorized Dealers (ADs) are allowed to execute forward sales and purchases in foreign exchange against bonafide need of customers and relevant counterparties.

02. To maintain orderly discipline in foreign exchange market, it has been decided that ADs may apply forward premium not exceeding the policy rates [US Dollar (USD): Federal Funds Rate, Euro (EUR): Main Refinancing Rate, British Pound (GBP): Bank Rate, Japanese Yen (JPY): Overnight Call Rate, Chinese Yuan (CNY): Loan Prime Rate (LPR) etc.] of the respective currencies as in effect on the banking day immediately before the first day of the deal period for forward dealings with customers and/or relevant counterparties.

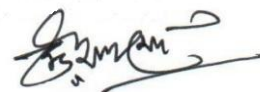
03. The above forward premium shall be applicable with the declared spot rates for both forward sale and purchase. For early settlement of forward contract, the premium needs to be adjusted for actual tenure.

04. In view of the above, FE Circular No. 16, dated September 24, 2023 and FE Circular Letter No. 12, dated September 26, 2023 shall stand repealed.

05. ADs are advised to instruct all their AD branches and central processing centers for meticulous compliance with the above instructions. Non-compliance shall be subject to punitive actions including financial penalties under relevant regulations, including but not limited to the Foreign Exchange Regulation Act, 1947 and the Bank Company Act, 1991.

Please bring the contents of this circular, effective immediately, to the notice of all concerned.

Yours faithfully,



(Monoar Uddin Ahmed)  
Director (FEPD)  
Phone: 9530119