

Foreign Exchange Policy Department  
Bangladesh Bank  
Head office  
Dhaka

Exchange Rate Circular No. 01

May 29, 2003

All Authorized Dealers in Foreign Exchange

Dear Sirs,

Please refer to Exchange Rate Circular No. 01 dated 5th January 2002.

Under the present arrangement, the Bangladesh Bank (BB) undertakes spot purchase or sale of US dollars with authorized dealers at rates decided separately in each case within a pre-announced band of Taka 57.40 to 58.40 per US dollar. The authorized dealers in the foreign exchange market themselves set the exchange rates for their customer and inter bank transactions.

02. Effective from 31st May, 2003, the exchange rates for the BB's spot purchase and sale transactions of US dollars with authorized dealers will be decided as before on a case to case basis, but without reference to any pre-announced band. Along with interventions in the Taka money market, the US dollar purchase or sale transactions shall be undertaken by the BB, as needed, to maintain orderly market conditions.

Yours faithfully,

(Ziaul Hassan Siddiqui)  
Executive Director  
Phone : 7120686