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LETTER TO ALL BANKS

DAILY RENDITION OF NET OPEN POSITION

Please recall that the Central Bank of Nigeria issued a circular dated October 24, 2014 and referenced BSD/DIR/GEN/LAB/07/037, titled "Prudential Regulation for the Management of Foreign Exchange Risks of Banks".

The regulation provides among others that the Net Open Position (NOP) of foreign currency assets and liabilities (on and off-balance sheet) of a bank should not exceed 20% of its shareholders' funds unimpaired by losses. In this regard, banks were required to compute the NOP on a monthly basis using the Gross Aggregate method.

However, the CBN has considered it necessary that banks should henceforth compute the NOP on a daily basis and forward same to BSDReturns@cbn.gov.ng.

This circular takes immediate effect.

Please be guided accordingly.

Yours faithfully,

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DIRECTOR OF BANKING SUPERVISION