



CENTRAL BANK OF NIGERIA

Press Release

Closure Of The CBN RDAS/WDAS Foreign Exchange Window

The managed float exchange rate regime, which the Bank had adopted following the liberalization of the foreign exchange market, has for the most part been successful in ensuring exchange rate stability in line with its mandate.

In recent times, however, with the sharp decline in global oil prices and the resultant fall in the country's foreign exchange earnings, the Bank has observed a widening margin between the rates in the interbank and the rDAS window, thus engendering undesirable practices including round-tripping, speculative demand, rent-seeking, spurious demand, and inefficient use of scarce foreign exchange resources by economic agents. This has continued to put pressure on the nation's foreign exchange reserves with no visible economic benefits to the productive sector of the economy and the general public.

In view of the foregoing, it has become imperative that appropriate actions be taken to avert the emergence of a multiple exchange rate regime and preserve the country's foreign exchange reserves. Consequently, we wish to inform all authorized dealers and the general public that, with effect from the date of this press release, **the rDAS/wDAS foreign exchange window at the CBN is hereby closed. Henceforth, all demand for foreign exchange should be channeled to the INTERBANK FOREIGN EXCHANGE MARKET.**

For the avoidance of doubt, all authorized dealers and the general public should note that the CBN will continue to intervene in the interbank foreign exchange market to meet genuine/legitimate demands.

A handwritten signature in blue ink, appearing to read 'Ibrahim Mu'azu', written in a cursive style.

Ibrahim Mu'azu,
Director, Corporate Communications Department