

# **CBN maintains Benchmark Rate at 11.50%, bans sale of Forex to BDCs- 27 July 2021**

The Monetary Policy Committee (MPC) of the Central Bank of Nigeria (CBN) concluded its fourth monetary policy meeting of 2021 today, maintaining all key rates. Please see below, a summary of the committee's decisions:

- Retain MPR at 11.50%
- Retain CRR and Liquidity ratio at 27.50% and 30% respectively.
- Maintain an asymmetric corridor at +100/-700 basis points around the MPR.

The CBN also condemned the illicit forex trading activities done by the Bureau De Change (BDC) operators. As such, the following decisions were reached:

- Discontinue the sale of Foreign Exchange (FX) to BDCs
- Halt the issuing of licenses to exchange Bureaus
- FX previously sold to BDCs will now be sold to commercial banks for invisible trades.
- Dedicated teller points to be created by commercial banks for FX sale to clients with valid documents.

Finally, the CBN reiterated its commitment to the October 1, 2021 launching of Nigeria's digital currency, which will be called the e-naira.

- This will complement existing types of money and not replace it.
- Some balances of banks will be converted to digital currency

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