

EXCHANGE RATE TERMINOLOGIES

4. Official Rate:

It is the exchange rate at which only government agencies will be trading (to stop people taking advantage of the continuing discrepancies between the parallel and official rate) with the intention to align the official rate and reference rates in the future. For official rate visit:

<https://www.boss.gov.ss/currency-operations/exchange-rates/>

3. Market / Parallel Rate:

Is one in which transactions take place at an exchange rate determined by market trends. BOSS collects information on the parallel market rate by talking to a number of foreign exchange traders/bureaus. For Market /Parallel rate visit: <https://reach-info.org/ssd/jmmi/>

2. Indicative / Reference Rate:

It is the indicative market clearing exchange rate published by BOSS every day and based on information submitted by commercial banks the previous day on the rates at which they bought and sold foreign exchange. All economic agents are permitted to trade with commercial banks and exchange bureaus at the market clearing Reference rate. For indicative rate / Reference Rate visit <https://www.boss.gov.ss/currency-operations/auction/>

1. Auction Rate:

Is one in which transactions take place at an exchange rate determined by market trends - implies an exchange rate at which demand and supply are in balance. It runs parallel to the official rate and at which most transactions in country take place. At present there are two auctions a week: one to commercial banks and one to the foreign exchange bureaus. For Auction rates visit <https://www.boss.gov.ss/currency-operations/auction/>

Circular on exchange rates: Focus by government on transitioning towards a unified market exchange rate aimed at building the capacity of market participants to manage exchange rate risks.