

Objective of the exchange rate policy

Last modified Wednesday the 27th of February, 2013

Monetary policy strategies have been implemented within a flexible exchange rate scheme that is governed by intervention rules with the following objectives:

- To maintain an adequate level of international reserves that will lessen the economy's vulnerability to external shocks, both in the current and capital accounts.
- To limit excessive volatility of the exchange rate in the short term, and
- To moderate excessive appreciation or depreciation of the nominal exchange rate that could jeopardise the achievement of future inflation targets, as well as the economy's external and financial stability.