

The following are the approved intervention mechanisms for *Banco de la República* (the Central Bank of Colombia).

**1. Sale of put options (options to sell foreign currency to the Bank) or call options (options to buy foreign currency from the Bank).**

- Sale of put or call options to control exchange rate volatility.
- Sale of put options with the purpose of accumulating foreign reserves.
- Sale of call options to reduce foreign reserves.

**2. Purchase or sale of foreign currency.**

- Purchase or sale of foreign currency directly in the foreign exchange market.
- Purchase or sale of foreign currency through competitive (bidding) auctions.

**3. Spot sale of foreign currency through FX Swap contracts.**

**4. Forward contracts for the sale of dollars with financial compliance (non-delivery).**

The characteristics of the instruments for foreign exchange intervention can be found in Regulatory Circular DOAM -143, corresponding to Subject 5: Intervention of *Banco de la República* in the foreign exchange market.