

DOCUMENT OF INTERNATIONAL MONETARY FUND
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**IMMEDIATE
ATTENTION**

MASTER FILES

ROOM C-120

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EBD/84/231

August 30, 1984

To: Members of the Executive Board

From: The Secretary

Subject: St. Christopher and Nevis - Representative Rate for
St. Christopher and Nevis E.C. Dollar

It is not proposed to bring the attached memorandum to the agenda of the Executive Board for discussion unless an Executive Director so requests by noon on Wednesday, September 5, 1984. In the absence of such a request, the draft decision will be deemed approved by the Executive Board and it will be so recorded in the minutes of the next meeting thereafter.

Att: (1)

Other Distribution:
Department Heads



INTERNATIONAL MONETARY FUND

St. Christopher and Nevis -- Representative Rate for
St. Christopher and Nevis E.C. Dollar

Prepared by the Treasurer's Department

(In consultation with the Western Hemisphere and Legal Departments)

Approved by W.O. Habermeier

August 30, 1984

St. Christopher and Nevis became a member of the Fund on August 15, 1984 with a quota equivalent to SDR 4,500,000.

The currency of St. Christopher and Nevis is the Eastern Caribbean dollar which is pegged to the U.S. dollar, the intervention currency, at EC\$2.70 per U.S. dollar. As of August 27, 1984, the buying and selling rates were EC\$2.6949 per U.S. dollar and EC\$2.7084 per U.S. dollar, respectively.

Consultations have taken place with the authorities of St. Christopher and Nevis concerning the determination by the Fund of a representative rate for the St. Christopher and Nevis dollar in the domestic exchange market for spot delivery of the U.S. dollar. As a result, it is considered that the representative rate under Rule 0-2(b)(i) for the E.C. dollar circulating in St. Christopher and Nevis is the rate determined by the fixed relationship of the E.C. dollar to the U.S. dollar. It is understood that the Eastern Caribbean Central Bank will immediately inform the Fund of any change in the representative rate.

In view of the foregoing, the following draft decision is proposed for adoption by the Executive Board:

The Fund finds, after consultation with the authorities of St. Christopher and Nevis, that the representative rate, under Rule 0-2(b)(i), for the E.C. dollar circulating in St. Christopher and Nevis against the U.S. dollar is the rate determined by the fixed relationship for the E.C. dollar circulating in St. Christopher and Nevis to the U.S. dollar. The Eastern Caribbean Central Bank will immediately inform the Fund of any change in the representative rate.

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6828 ECC BSKB KC

17 AUGUST, 1984*

THE TREASURER
INTERNATIONAL MONETARY FUND

RE: YOUR TELEX NO. 55 DATED 16TH AUGUST, 1984.

THE CURRENCY OF ST. CHRISTOPHER AND NEVIS IS THE EASTERN CARIBBEAN DOLLAR WHICH IS PEGGED TO THE U.S. DOLLAR AT THE RATE OF E.C. DOLLARS 2.70 PER U.S. DOLLAR. AT PRESENT THE RATES OF EXCHANGE ARE E.C. DOLLARS 2.6949 PER U.S. DOLLAR BUYING AND E.C. DOLLARS 2.7084 PER U.S. DOLLAR SELLING IN SPOT TRANSACTIONS IN THE DOMESTIC EXCHANGE MARKET. WE PROPOSE THAT THE FUND FIND THAT THE FIXED RELATIONSHIP BETWEEN ST. CHRISTOPHER AND NEVIS E.C. DOLLAR AND THE U.S. DOLLAR IS THE REPRESENTATIVE RATE FOR THE CURRENCY OF ST. CHRISTOPHER AND NEVIS UNDER RULE 0-2(B)(I) OF THE FUND'S RULES AND REGULATIONS. THERE ARE NO TAXES OR SUBSIDIES ON THE PURCHASES AND SALES OF FOREIGN EXCHANGE IN ST. CHRISTOPHER AND NEVIS. THE EASTERN CARIBBEAN CENTRAL BANK WILL COMMUNICATE TO THE FUND IMMEDIATELY ANY CHANGE IN THE REPRESENTATIVE RATE FOR THE CURRENCY OF ST. CHRISTOPHER AND NEVIS.

Received in Cable Room August 17, 1984

* As amended by cable of August 22, 1984.