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June 23, 1983

To: Members of the Executive Board
From: The Secretary
Subject: Portugal - Exchange Measures

The Secretary has received the following memorandum dated June 22, 1983 from Mr. Lovato:

Would you please inform the members of the Executive Board of the following memorandum, that I received today from my Portuguese authorities:

Following Portuguese Government decision, the Portuguese escudo has been devalued in effective terms by 12 per cent effective 22 June 1983. The exchange market will be closed on same date.

It was also announced that immediate action is being taken as follows:

- (1) A thorough revision of the investment programs for the public sector including public enterprises.
- (2) Issuance of regulations governing the extraordinary tax on some corporate expenditures...created under the budget for 1983, approved on 28 February.
- (3) *Issuance of regulations governing the extraordinary tax on corporate profits, also created under the budget for 1983.*

Other Distribution:
Department Heads