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February 28, 1996

WP/95/121  
Correction 1

Subject: Does the Nominal Exchange Rate Regime Matter?

The attached pages 27-33 of WP/95/121 (November 1995) are reissued to correct the alignment of countries and figures in the proper columns.

Att: (7)

Other Distribution:  
Department Heads  
Division Chiefs



# Exchange Rate Regime Classification

	65	66	67	68	69	70	71	72	73	74	75	76	77	78	79	80	81	82	83	84
Afghanistan	A	A	A	A	A	A	A	A	A	A	R	R	R	R	R	R	A	A	A	A
Algeria	A	A	A	A	A	A	A	A	A	M	M	M	M	M	M	M	M	M	M	M
Antigua & Barb	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	A	A	A	A
Argentina	A	A	A	A	A	A	A	A	B	C	D	D	D	W	U	U	U	W	W	W
Australia	A	A	A	A	A	A	A	A	A	N	N	N	P	P	P	P	P	P	P	X
Austria	.	A	A	A	A	A	A	A	I	I	I	I	I	I	I	I	B	B	B	B
Bahamas	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A
Bahrain	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A
Bangladesh	A	A	A	A	A	A	A	A	B	B	C	C	D	D	N	P	P	P	O	O
Barbados	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A
Belgium	A	A	A	A	A	A	A	A	Q	Q	Q	Q	Q	Q	Q	Q	Q	Q	Q	Q
Belize	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	A	A	A	A
Benin	A	A	A	A	A	A	A	A	B	B	B	B	B	B	B	B	B	B	B	B
Bolivia	A	A	A	A	A	A	A	A	B	B	B	B	B	B	C	B	B	C	B	D
Botswana	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	I	I	I	I	I
Brazil	A	A	A	A	A	A	A	A	R	A	D	D	D	R	R	R	R	R	R	R
Burkina-Faso	A	A	A	A	A	A	A	A	B	B	B	B	B	B	B	B	B	B	B	B
Burundi	A	A	A	A	A	A	A	A	A	A	A	C	A	A	A	A	A	A	G	G
Cameroon	A	A	A	A	A	A	A	A	B	B	B	B	B	B	B	B	B	B	B	B
Canada	.	.	.	.	.	.	.	.	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y

A Unclassified single currency peg  
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 D Single currency peg, frequent changes in parity  
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Cape Verde	A	A	A	A	A	A	A	A	D	D	D	O	O	O	O	O	O	O	O	O
Cent African Rep.	A	A	A	A	A	A	A	A	B	B	B	B	B	B	B	B	B	B	B	B
Chad	A	A	A	A	A	A	A	A	B	B	B	B	B	B	B	B	B	B	B	B
Chile	A	A	A	A	A	A	A	A	R	A	D	D	D	R	A	A	A	A	T	T
China, PR	A	A	A	A	A	A	A	A	A	A	A	A	A	A	.	.	N	N	N	N
Colombia	A	A	A	A	A	A	A	A	.	.	S	S	S	S	S	S	S	S	S	S
Comoros	.	.	.	.	.	.	.	.	.	.	.	A	A	A	A	A	A	A	A	A
Congo, PR	A	A	A	A	A	A	A	A	B	B	B	B	B	B	B	B	B	B	B	B
Costa Rica	A	A	A	A	A	A	A	A	C	C	B	B	B	B	B	B	R	R	V	V
Cote d'Ivoire	A	A	A	A	A	A	A	A	B	B	B	B	B	B	B	B	B	B	B	B
Cyprus	A	A	A	A	A	A	A	A	M	M	M	M	O	O	O	O	O	O	O	O
Denmark	.	A	A	A	A	A	A	A	Q	Q	Q	Q	Q	Q	Q	Q	Q	Q	Q	Q
Djibuti	.	.	.	.	.	.	.	.	.	.	.	.	.	A	A	A	A	A	A	A
Dominica	.	.	.	.	.	.	.	.	.	.	.	.	.	A	A	A	A	A	A	A
Dom. Republic	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A
Ecuador	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	D	D
Egypt	A	A	A	A	A	A	A	A	C	C	C	C	C	C	C	C	C	C	C	C
El Salvador	A	A	A	A	A	A	A	A	B	B	B	B	B	B	B	B	B	B	B	B
Equatorial Guinea	A	A	A	A	A	A	A	A	A	B	B	B	B	N	B	C	B	B	B	B
Ethiopia	A	A	A	A	A	A	A	A	B	B	B	B	B	B	B	B	B	B	B	B

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Fiji	A	A	A	A	A	A	A	A	A	A	K	K	K	K	K	K	K	K	K	K
Finland	A	A	A	A	A	A	A	A	M	M	M	M	K	K	K	K	K	K	K	K
France	A	A	A	A	A	A	A	A	X	X	Q	X	X	X	Q	Q	Q	Q	Q	Q
Gabon	A	A	A	A	A	A	A	A	B	B	B	B	B	B	B	B	B	B	B	B
Gambia	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A
Germany	A	A	A	A	A	A	A	A	Q	Q	Q	Q	Q	Q	Q	Q	Q	Q	Q	Q
Ghana	A	A	A	A	A	A	A	A	B	B	B	B	B	A	A	A	A	A	W	W
Greece	A	A	A	A	A	A	A	A	R	A	V	V	V	V	V	V	V	V	V	V
Grenada	.	.	.	.	.	.	.	.	.	.	.	.	A	A	A	A	A	A	A	A
Guatemala	A	A	A	A	A	A	A	A	B	B	B	B	B	B	B	B	B	B	B	B
Guyana	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	R	R	R	R	I
Haiti	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A
Honduras	A	A	A	A	A	A	A	A	B	B	B	B	B	B	B	B	B	B	B	B
Hong Kong	A	A	A	A	A	A	A	A	A	A	Y	Y	Y	Y	Y	Y	Y	Y	Y	V
Hungary	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	O	O	O	O
Iceland	.	.	.	.	.	A	A	A	T	T	T	T	T	T	T	T	T	T	T	T
India	A	A	A	A	A	A	A	A	A	A	I	I	I	I	R	R	R	R	V	V
Indonesia	A	A	A	A	A	A	A	A	A	A	A	A	A	R	R	R	R	R	V	V
Iran	A	A	A	A	A	A	A	A	A	A	E	E	E	S	S	E	E	E	E	E
Iraq	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A

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Ireland	.	A	A	A	A	A	A	A	B	B	B	B	B	B	Q	Q	Q	Q	Q	Q
Israel	A	A	A	A	A	A	A	A	B	C	D	L	X	X	X	X	X	X	X	X
Italy	A	A	A	A	A	A	A	A	Q	V	V	V	V	V	Q	Q	Q	Q	Q	Q
Jamaica	A	A	A	A	A	A	A	A	B	B	B	B	B	T	B	B	B	B	W	X
Japan	.	A	A	A	A	A	A	A	R	R	R	R	R	R	R	R	R	Y	Y	Y
Jordan	A	A	A	A	A	A	A	A	A	A	G	G	G	G	G	G	G	G	G	G
Kenya	A	A	A	A	A	A	A	A	A	A	E	E	E	E	E	E	E	E	E	E
Korea	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	V	V	V	V	V
Kuwait	A	A	A	A	A	A	A	A	B	B	O	O	O	O	O	O	O	O	O	O
Lao, PDR	A	A	A	A	A	A	A	A	A	A	A	.	A	A	A	A	A	A	A	A
Lebanon	A	A	A	A	A	A	A	A	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	X	X
Lesotho	A	A	A	A	A	A	A	A	A	B	B	B	B	B	B	B	B	B	B	B
Liberia	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A
Libya	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A
Luxembourg	A	A	A	A	A	A	A	A	Q	Q	Q	Q	Q	Q	Q	Q	Q	Q	Q	Q
Madagascar	A	A	A	A	A	A	A	A	B	B	B	B	B	B	B	B	B	I	I	I
Malawi	A	A	A	A	A	A	A	A	M	M	E	E	E	E	E	E	E	E	E	M
Malaysia	A	A	A	A	A	A	A	A	R	R	M	M	M	M	M	M	M	M	M	M
Maldives	.	.	.	.	.	.	.	.	.	.	.	.	.	A	.	.	A	A	A	A
Mali	A	A	A	A	A	A	A	A	B	B	B	B	B	B	B	B	B	B	B	B

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Malta	A	A	A	A	A	A	A	A	O	O	O	O	O	O	O	O	O	O	O	O
Mauritania	A	A	A	A	A	A	A	A	B	O	O	O	O	O	O	O	O	O	O	O
Mauritius	A	A	A	A	A	A	A	A	B	B	B	G	G	G	G	G	G	G	P	P
Mexico	A	A	A	A	A	A	A	A	A	A	A	R	R	R	R	R	R	R	V	V
Morocco	A	A	A	A	A	A	A	A	M	M	M	M	M	R	M	R	R	R	V	V
Myanmar	A	A	A	A	A	A	A	A	C	B	F	F	G	F	F	F	F	F	F	F
Nepal	A	A	A	A	A	A	A	A		A	A	A	A	A	A	A	A	A	I	I
Netherlands	A	A	A	A	A	A	A	A	Q	Q	Q	Q	Q	Q	Q	Q	Q	Q	Q	Q
Neth. Antilles	A	A	A	A	A	A	A	A	B	B	B	B	B	B	B	B	B	B	B	B
New Zealand	A	A	A	A	A	A	A	A	I	I	I	I	I	I	P	P	P	N	N	N
Nicaragua	A	A	A	A	A	A	A	A	B	B	B	B	B	B	B	C	C	C	C	C
Niger	A	A	A	A	A	A	A	A	B	B	B	B	B	B	B	B	B	B	B	B
Nigeria	A	A	A	A	A	A	A	A	A	R	R	R	A	R	R	R	R	R	V	V
Norway	A	A	A	A	A	A	A	A	Q	Q	Q	Q	Q	K	K	K	K	K	K	K
Oman	A	A	A	A	A	A	A	A	B	B	B	B	B	B	B	B	B	B	B	B
Pakistan	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A			
Panama	A	A	A	A	A	A	A	A	B	B	B	B	B	B	B	B	B	B	B	B
Papua NG											A	A	R	A	M	M	M	M	M	O
Paraguay	A	A	A	A	A	A	A	A	B	B	B	B	B	B	B	B	B	B	B	C
Philippines	A	A	A	A	A	A	A	A	X	X	X	X	X	X	Y	Y	Y	Y	W	Y

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## Exchange Rate Regime Classification

	65	66	67	68	69	70	71	72	73	74	75	76	77	78	79	80	81	82	83	84
Portugal	A	A	A	A	A	A	A	A	R	R	R	R	U	U	U	U	U	U	U	U
Romania	A	A	A	A	A	A	A	A	C	C	C	C	C	C	C	C	C	C	P	O
Rwanda	A	A	A	A	A	A	A	A	E	B	B	B	B	B	B	B	B	B	G	G
St. Lucia	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	A	A	A	A	A
St. Vincent and the Grenadines	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	A	A	A	A	A
Senegal	A	A	A	A	A	A	A	A	B	B	B	B	B	B	B	B	B	B	B	B
Seychelles	.	.	.	.	.	.	.	.	.	.	.	M	M	E	E	E	E	E	E	E
Sierra Leone	A	A	A	A	A	A	A	A	A	A	A	A	A	E	E	E	E	R	B	A
Singapore	A	A	A	A	A	A	A	A	M	M	M	M	M	M	M	M	M	M	M	M
Solomon Islands	.	.	.	.	.	.	.	.	.	.	.	.	.	.	N	N	O	P	P	P
Somalia	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	E	R	R
South Africa	A	A	A	A	A	A	A	A	.	A	A	A	A	A	R	R	R	R	Y	Y
Spain	.	A	A	A	A	A	A	A	A	M	M	M	R	R	R	R	R	X	X	X
Sri Lanka	A	A	A	A	A	A	A	A	A	A	A	M	R	R	R	R	R	V	V	V
Sudan	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A
Suriname	.	.	.	.	.	.	.	.	.	.	.	.	.	.	A	A	A	A	A	A
Swaziland	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A
Sweden	A	A	A	A	A	A	A	A	Q	Q	Q	Q	Q	K	K	K	K	K	K	K
Syrian Arab Rep.	A	A	A	A	A	A	A	A	D	D	D	D	D	D	D	D	D	D	D	D

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Tanzania	A	A	A	A	A	A	A	A	A	A	E	E	E	E	I	I	I	I	I	I
Thailand	A	A	A	A	A	A	A	A	A	A	A	A	A	I	I	I	I	R	R	M
Togo	A	A	A	A	A	A	A	A	B	B	B	B	B	B	B	B	B	B	B	B
Tonga	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.
Trin & Tobago	A	A	A	A	A	A	A	A	B	B	B	B	B	B	B	B	B	B	B	B
Turkey	A	A	A	A	A	A	A	A	B	B	W	W	W	W	W	W	W	W	W	W
Uganda	A	A	A	A	A	A	A	A	A	A	E	E	E	E	E	E	R	V	V	V
U. Arab Emirates	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A
United Kingdom	A	A	A	A	A	A	A	A	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
United States	A	A	A	A	A	A	A	A	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
Uruguay	A	A	A	A	A	A	A	A	T	T	T	T	Y	T	T	T	T	T	W	W
Vanuatu	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	E	E	E	E
Venezuela	A	A	A	A	A	A	A	A	B	B	B	C	B	B	B	B	B	B	D	D
Viet Nam	A	A	A	A	A	A	A	A	.	.	E	E	E	E	E	E	E	E	E	E
Western Samoa	A	A	A	A	A	A	A	A	A	A	I	I	I	I	R	R	I	V	V	V
Yugoslavia	A	A	A	A	A	A	A	A	P	P	P	P	P	P	P	P	P	U	U	U
Zaire	A	A	A	A	A	A	A	A	A	A	A	G	F	G	F	F	F	F	U	Y
Zambia	A	A	A	A	A	A	A	A	A	A	A	E	E	E	E	E	E	E	I	I
Zimbabwe	.	.	.	.	.	.	.	.	.	.	.	.	.	.	.	M	M	M	M	M

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M Unclassified basket peg (unknown weights)

N Basket peg (unknown weights) no change in parity  
O Basket peg (unknown weights), infrequent changes in parity  
P Basket peg (unknown weights), frequent changes in parity  
Q Cooperative system  
R Unclassified float  
S Rule based system, crawling peg

Classification of Exchange Rate Regime: Combined Groups

For the majority of calculations in the paper the detailed classifications contained in table 7 (Appendix 1) were combined into several more aggregate groups. These classifications are:

a. Pegged rates

A B C D E F G H I J K L M N O P

b. Intermediate systems

Q R S W T

c. Floating systems

X U V Y

d. Pegged -- infrequent adjusters

A B C F G J K N O Q

e. Pegged -- frequent adjusters

D E H I L M P