

MASTER FILES
ROOM C-525

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EBD/96/136

October 17, 1996

To: Members of the Executive Board
From: The Associate Secretary
Subject: **Germany - European Monetary System**

The Secretary has received the following memorandum dated October 15, 1996, from Mr. Esdar:

Could you please advise the Executive Board as follows:

On October 12, 1996 the ministers and central bank governors of the Member States of the European Union, following a decision by the Finnish Government to join the exchange-rate mechanism of the European Monetary System (EMS), have decided by mutual agreement, in a common procedure involving the Commission and the European Monetary Institute and after consultations with the Monetary Committee, on the terms on which the Finnish markka will participate as of October 14, 1996.

This is to inform you in line with Article IV, Section 2(a) of the Fund's Statutes that in the framework of the EMS the Deutsche Bundesbank stands ready

to buy	100 fmk at 28.328 dem
and to sell	100 fmk at 38.197 dem.

The ECU central rate for the D-mark as well as all other characteristics of the system remain unchanged.

Other Distribution:
Department Heads

