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EBD/82/215
Supplement 1

September 16, 1982

To: Members of the Executive Board
From: The Secretary
Subject: Norway - Change in Exchange Rate

As a supplement to the notification concerning the change in the exchange rate of the Norwegian krone on September 6, 1982 (EBD/82/215, 9/6/82), the Fund has received the following information from the Executive Director for Norway:

Following the Government's decision to devalue the Norwegian krone by 3 per cent (the reason for which has been stated in further detail in the press release from the Ministry of Finance). The base rates for calculating the Norwegian exchange rate index will be as follows:

	<u>Old Base Rates</u> (August 1978)	<u>New Base Rates</u> as from September 6, 1982
Deutsche mark	263.29	271.45
Swedish krona	118.43	122.10
Pound sterling	10.20	10.516
U.S. dollar	5.2555	5.4184
French franc	120.91	124.66
Danish krone	95.62	98.58
Japanese yen	2.789	2.875
Netherlands guilder	243.06	250.59
Canadian dollar	4.612	4.7550
Italian lira	0.629	0.648
Finnish markka	128.09	132.06
Belgian franc	16.73	17.25
Austrian shilling	36.52	37.65
Swiss franc	315.54	325.32

The weights assigned to the various currencies composing the basket on which the exchange rate of the krone is based will remain the same as those in force as from August 2, 1982. CF. Norges Bank's Press Release No. 12 of July 21, 1982.

The upward adjustment of the base rates will not entail any change in the "normal" level of 100 for the Norwegian exchange rate index, showing the average international value of the krone. A new index figure of 100 will correspond to about 103.1 if the calculation had been based on the old base rates (middle rates on the Oslo stock exchange in August 1978). Norges Bank will purchase and sell foreign currencies in the market in order to keep the exchange rate index within the previously practiced margins on either side of the index figure of 100.

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