

EBD/82/314

December 22, 1982

To: Members of the Executive Board
From: The Secretary
Subject: Kenya - Exchange Arrangements

Attached for the information of the Executive Directors is a paper on a change in the rate of the Kenya shilling.

Att: (1)

Other Distribution:
Department Heads

INTERNATIONAL MONETARY FUND

Kenya--Exchange Arrangements

Prepared by the African Department
and the Exchange and Trade Relations Department

(In consultation with the Legal Department)

Approved by J.B. Zulu and W.A. Beveridge

December 21, 1982

In a communication dated December 10, 1982 (attached), the Central Bank of Kenya has notified the Fund that, with effect from December 10, 1982, the rate of the Kenya shilling was changed from SDR 1 = K Sh 11.95 to SDR 1 = K Sh 13.74. This represents a depreciation of 13.03 per cent in terms of the SDR.

The Kenya shilling has been pegged to the SDR since October 27, 1975. ^{1/} Kenya continues to apply exchange margins of less than one half of 1 per cent, based on the fixed Kenya shilling/SDR rate.

Attachment

^{1/} From this date to February 2, 1981, the rate of SDR 1 = K Sh 9.66 was maintained. It was adjusted on February 3, 1981 to SDR 1 = K Sh 10.15, and then on September 21, 1981 to SDR 1 = K Sh 11.95 (EBD/81/38, 2/11/81 and EBD/81/246, 9/25/81).

INTERNATIONAL MONETARY FUND

WASHINGTON, D.C.

THERE HAS BEEN AN ADJUSTMENT IN THE CENTRAL RATE OF THE KENYA SHILLING
FROM 11.95 TO 13.74 WITH EFFECT FROM DECEMBER 10, 1982. PLEASE ADVISE
ON CURRENCY VALUATION OF FUND ACCOUNTS

CENTRAL BANK OF KENYA,

NAIROBI.

Received in Cable Room: December 10, 1982