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ATTENTION**

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EBD/92/271

November 10, 1992

To: Members of the Executive Board

From: The Secretary

Subject: Republic of Kazakhstan - Representative Rate for the Russian
Ruble as Currency of Kazakhstan

It is not proposed to bring the attached memorandum to the agenda of the Executive Board for discussion unless an Executive Director so requests by the close of business on Friday, November 13, 1992. In the absence of such a request, the draft decision will be deemed approved by the Executive Board and it will be so recorded in the minutes of the next meeting thereafter.

Mr. Moustapha (ext. 37637) is available to answer technical or factual questions relating to this paper.

Att: (1)

Other Distribution:
Department Heads

INTERNATIONAL MONETARY FUND

Representative Rate for the Currency of Kazakhstan

Prepared by the Treasurer's Department

(In consultation with the European II, Legal, and
Monetary and Exchange Affairs Departments)

Approved by David Williams

November 10, 1992

The Republic of Kazakhstan became a member of the Fund on July 15, 1992 with a quota equivalent to SDR 165 million.

The currency of the Republic of Kazakhstan is the Russian ruble. Following consultation with the authorities, it is considered that the representative rate for the Russian ruble (as currency of the Republic of Kazakhstan) under Rule 0-2 (b)(i) shall be the midpoint of buying and selling rates for the Russian ruble against the U.S. dollar in the Moscow Interbank Foreign Currency Exchange (the "interbank market"), as ascertained and reported by the Central Bank of Russia. The same method of calculation is used for the determination of the representative rate for the Russian ruble, as the currency of the Russian Federation, against the U.S. dollar pursuant to Decision No. 10101-(92/96) G/S, adopted on July 24, 1992. It is understood that the National Bank of Kazakhstan will immediately inform the Fund of any change in the exchange arrangements which may affect the determination of the representative rate (see attached communication from the National Bank of Kazakhstan).

In view of the foregoing, the following draft decision is proposed for adoption by the Executive Board:

The Fund finds, after consultation with the authorities of the Republic of Kazakhstan, that the representative rate under Rule 0-2(b)(i) for the Russian ruble (as currency of the Republic of Kazakhstan) against the U.S. dollar is the midpoint between buying and selling rates for the Russian ruble against the U.S. dollar in the interbank market, as ascertained by the Central Bank of Russia.

Attachment

TO: MR. VAN HOUTVEN
SECRETARY OF IMF

FROM: NATIONAL STATE BANK
REPUBLIC OF KAZAKHSTAN

DATE: NOVEMBER 4, 1992

REF: THE REPRESENTATIVE EXCHANGE RATE

DEAR SIR,

SINCE THE CURRENCY OF THE REPUBLIC OF KAZAKHSTAN IS THE RUSSIAN RUBLE, WE PROPOSE THAT THE DEFINITION OF THE REPRESENTATIVE RATE FOR THE CURRENCY OF THE REPUBLIC OF KAZAKHSTAN BE THE MIDPOINT BETWEEN BUYING AND SELLING RATES FOR THE RUSSIAN RUBLE AGAINST THE U.S. DOLLAR IN THE MOSCOW INTERBANK FOREIGN CURRENCY EXCHANGE (THE "INTERBANK MARKET"), AS ASCERTAINED BY THE CENTRAL BANK OF RUSSIA. THUS, THE FOLLOWING DEFINITION IS PROPOSED:

"THE REPRESENTATIVE RATE UNDER RULE 0-2(B)(I) FOR THE RUSSIAN RUBLE (AS CURRENCY OF THE REPUBLIC OF KAZAKHSTAN) AGAINST THE U.S. DOLLAR IS THE MIDPOINT BETWEEN BUYING AND SELLING RATES FOR THE RUSSIAN RUBLE AGAINST THE U.S. DOLLAR IN THE INTERBANK MARKET, AS ASCERTAINED BY THE CENTRAL BANK OF RUSSIA."

THE NATIONAL STATE BANK OF KAZAKHSTAN WILL PROMPTLY INFORM THE FUND OF ANY CHANGE IN EXCHANGE ARRANGEMENTS WHICH MAY AFFECT THE DETERMINATION OF THE REPRESENTATIVE EXCHANGE RATE.

WITH BEST REGARDS
GALYM BAINAZAROV

CHAIRMAN NATIONAL STATE BANK
REPUBLIC OF KAZAKHSTAN

Received in Fund November 5, 1992