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0422

EBD/92/288

November 25, 1992

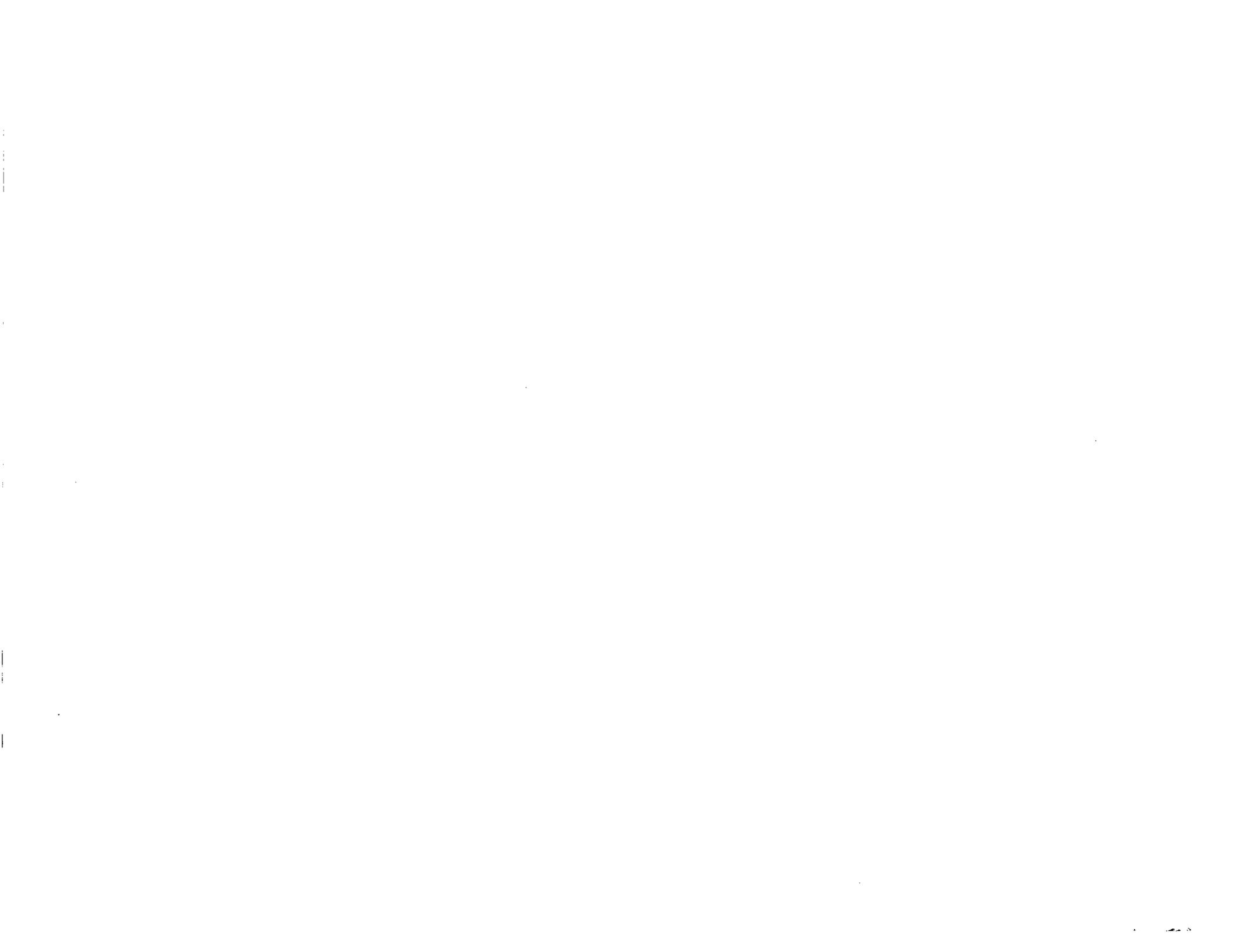
To: Members of the Executive Board
From: The Secretary
Subject: European Monetary System

The Secretary has received the following memorandum dated November 24, 1992 from the Executive Directors appointed or elected by the member countries of the European Community:

We attach an extract from the statement issued by the EC Monetary Committee on November 22. The new bilateral intervention rates are shown in the attached table.

Attachment

Other Distribution:
Department Heads



TEXT OF EC MONETARY COMMITTEE STATEMENT

The ministers and central bank governors of the Member States of the European Community have by mutual agreement following a common procedure involving the Commission and after consultation with the Monetary Committee decided to fix new central rates in the EMS.

The bilateral central rates of the Spanish peseta and the Portuguese escudo against the other currencies of the exchange rate mechanism have been reduced by 6%.

The new ecu central rates are the following
(in units of national currencies per ecu)

Belgian Franc	40.6304	
Danish Krone	7.51410	
Deutschemark	1.96992	
Spanish Peseta	143.386	
French Franc	6.60683	
Irish Pound	0.735334	
Luxembourg Franc	40.6304	
Dutch Guilder	2.21958	
Portuguese Escudo	182.194	
Italian Lira	1,690.76	*
UK Pound	0.805748	*
Greek Drachma	254.254	*

* notional central rates, based on market rates of 20 November

The Spanish and Portuguese governments will implement strictly all the measures necessary to ensure that the objectives of their convergence programmes are achieved. The Spanish government will immediately lift the special measures on some foreign exchange transactions which it recently imposed. It will give the highest priority to meeting the budgetary targets and implementing the structural measures laid down in the convergence programme. The ministers and governors draw the attention of the two governments to the vital importance of restraint on the growth of labour costs.

Member States whose currencies are in the exchange rate mechanism will implement their economic and monetary policies in such a way as to improve their convergence on price stability and ensure the stability of their currencies within the parity grid.

**BILATERAL CENTRAL RATES AND SELLING AND BUYING RATES IN THE EMS EXCHANGE RATE MECHANISM
FROM 23 NOVEMBER 1992**

		<u>B Fc</u> <u>L Fc 100 -</u>	<u>D Kr 100 -</u>	<u>Fr.f.c 100 -</u>	<u>DM 100 -</u>	<u>Itl -</u>	<u>Fl 100 -</u>	<u>PEsc 100 -</u>	<u>Pta 100 -</u>
BELGIUM/LUXEMBOURG:	S	-	333.000	628.870	2109.50	56.3113	1872.15	23.6785	30.0880
	C	-	340.773	614.977	2062.55	55.2545	1830.54	22.3006	28.3364
B.Fc/L.Fc	B	-	328.700	601.895	2016.55	54.0250	1789.85	21.0025	26.6875
DENMARK:	S	18.9143	-	116.320	390.160	10.4511	346.240	4.37910	5.56450
	C	18.4938	-	113.332	381.443	10.2186	338.517	4.12423	5.24047
D.kr	B	18.0831	-	111.800	373.000	9.9913	331.020	3.88420	4.93540
FRANCE:	S	16.6310	89.9250	-	343.050	9.18900	304.440	3.85030	4.89260
	C	16.2600	87.9257	-	335.386	8.98480	297.661	3.62626	4.60772
Fr.f.c	B	15.8990	85.9700	-	327.920	8.78500	291.040	3.41520	4.33960
GERMANY:	S	4.95900	26.8100	30.4850	-	7.74000	90.7700	1.14800	1.45900
	C	4.84837	26.2162	29.8164	-	7.67094	88.7526	1.08172	1.37386
DM	B	4.74000	25.6300	29.1500	-	7.61900	86.7800	1.01800	1.29400
IRELAND:	S	1.85100	10.00870	11.3830	38.1825	-	33.8868	0.428541	0.544528
	C	1.80981	9.78404	11.1289	37.3281	-	33.1293	0.403599	0.512835
IL	B	1.76950	9.56830	10.8825	36.4964	-	32.3939	0.380110	0.482988
NETHERLANDS:	S	5.58700	30.2100	34.3600	115.2350	3.08700	-	1.29150	1.64365
	C	5.46286	29.5389	33.5953	112.6730	3.01848	-	1.21825	1.54798
Fl	B	5.34150	28.8825	32.8475	110.1675	2.95100	-	1.14740	1.45789
PORTUGAL:	S	476.130	2574.50	2928.10	8823.20	263.082	8715.40	-	134.920
	C	448.418	2424.69	2757.66	8248.80	247.770	8208.49	-	127.065
Esc	B	422.170	2283.60	2597.80	8710.80	233.350	7731.00	-	119.670
SPAIN:	S	374.710	2026.20	2304.40	7728.00	207.045	6859.20	83.5630	-
	C	352.903	1908.23	2170.87	7278.77	194.994	6460.05	78.6999	-
Pta	B	332.360	1797.10	2043.80	6854.00	183.645	6084.00	74.1180	-

S - Exchange rate at which the central bank of the country in the left hand column will sell the currency identified in the row at the top of the table.
 C - Bilateral central rate.
 B - Exchange rate at which the central bank of the country in the left hand column will buy the currency identified in the row at the top of the table.