



BANK of ZAMBIA

OFFICE OF THE DEPUTY GOVERNOR - OPERATIONS

January 11, 2013

CB Circular No: 02/2013

To : All Commercial Banks

INCREASE IN STATUTORY RESERVE RATIOS

The Bank of Zambia wishes to advise all commercial banks that with effect from Monday 28th January 2013, the minimum statutory reserve ratio on both the kwacha and foreign currency deposit liabilities to the public will be increased by 3.0 percentage points to 8.0 percent from 5.0 percent.

The increase in the statutory reserve ratios is primarily aimed at addressing the prevailing excess liquidity conditions in the market and its consequential impact on inflation.

Commercial banks are further advised that in terms of compliance, the revised statutory reserve ratio of 8.0 percent will be effected starting with the Weekly Return on Selected Assets and Liabilities as at Wednesday 23rd January 2013.

The Bank of Zambia will continue to monitor developments in the macroeconomic environment and stands ready to take other measures as deemed necessary.

Bwalya K.E. Ng'andu (Dr.)
DEPUTY GOVERNOR – OPERATIONS

Cc Governor