



BANK OF ZAMBIA
OFFICE OF THE DEPUTY GOVERNOR - OPERATIONS

July 15, 2009

CB Circular No : 03/2009

To : All Commercial Banks

**OPEN MARKET OPERATIONS APPLICATION FORMS – LENDING QUOTE (OMO L1)
AND BORROWING QUOTE (OMO B1)**


Reference is made to the above subject matter.

Kindly be advised that the Bank of Zambia has revised the application forms used in the Open Market Operation (OMO) tenders as follows:

- The revised application form requires commercial banks to indicate the tenor of the lending or borrowing quotes in addition to the information banks were providing on the old forms.

The new forms come into effect on July 20, 2009, failure to comply shall result in the affected commercial bank's application being disqualified.

Find attached herewith the new application form.


Denny H Kalyalya (Dr)
DEPUTY GOVERNOR – OPERATIONS

Cc Governor

OMO L1

Date.....

Bank of Zambia
Open Market Operations Application Form
Lending Quote

A.

Name of Commercial Bank			
Amount bid (figure) K	Yield Bid Rate	Tenor	Maturity date
Amount Bid in words			

B.

Type of contract (please tick)	Outright Purchase of Treasury bills	Secured Loans	Reverse Repos.

C. Complete part C only if your answer to part B is Reverse Repos

	Treasury Bills	Government Bonds
Securities offered (please tick)		
Maturity date of securities offered		
Value of securities in figures K		
Value of securities in words		

D. Indicate interest amount to be paid at maturity

K

E. If successful, kindly credit our current account held at Bank of Zambia

F. Authorised Signatories

Name..... Designation..... Signature.....

Name..... Designation..... Signature.....

G. Official Stamp

For official use only

1) Status of application.			
	Amount	Interest	
2) Amount and Interest to be applied at Maturity			
3) Processed by			
4) Approved by			
5) Entries	Prepared by	Authorised by	Date

Note: The haircuts are as follows:-

1. When Treasury bills are pledged, the value should be 5% above the loan amount.
2. When Government bonds are pledged, the value should be 10% above the loan amount

OMO B1

Date.....

Bank of Zambia
Open Market Operations Application Form
Borrowing Quote

A.

Name of Commercial Bank			
Amount Offered (figure) K	Yield Offer Rate	Tenor	Maturity Date
Amount offered in word			

B.

Type of contract (please tick)	Outright Sale of Treasury Bill	Term Deposit	Repo.

C. If contract is Term deposit / Repurchase transaction indicate interest amount to be earned at maturity

K

D If successful, kindly transfer the funds to the Bank of Zambia as stipulated under the payment system regulations by debiting the current account held at Bank of Zambia

E. Authorised Signatories

Name..... Designation..... Signature.....

Name..... Designation..... Signature.....

F. Official Stamp

For official use only

1) Status of Application.			
2) Amount & Interest to be applied at Maturity	Amount	Interest	
3) Processed by			
4) Approved by			
5) Entries	Prepared by	Approved by	Date