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Date: April 12, 2021

To All Bureaux de Change

Adjusting of Prices to Reflect Current Market Conditions

In light of recent developments in foreign exchange market conditions locally, the Central Bank of Seychelles (CBS) is hereby urging all Bureaux de Change (BDCs) to adjust their prices to reflect current market conditions.

As per the norm under a floating exchange rate regime, it is expected that with an important increase in the supply of foreign exchange compared to demand, there is a corresponding appreciation in the exchange rate to reflect same. However, in recent weeks, CBS has observed clear evidence of market failure where customers including visitors are not able to sell their foreign currencies for Seychelles Rupees. In order to ensure the orderly functioning of the domestic foreign exchange market CBS is thereby urging all market participants, including BDCs, to adjust their pricing appropriately.

CBS shall continue to monitor the situation closely and pronounce further on the matter should there be a need based on market developments.

CBS trusts in your adherence to the above.

Yours sincerely,

 Caroline Abel
Apr 12 2021 2:08 PM

C. Abel (Ms)

Governor

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