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**Republic of the Union of Myanmar
Central Bank of Myanmar**

Letter No. FE-1/789

Date: 21 June 2023

To:

Banks licensed to deal in foreign currencies

Subject: To submit online to the Central Bank of Myanmar, and execute, transactions between the bank and a customer and between customers in the foreign currency market

1. In relation to the above matter, transactions in the foreign currency market between banks and customers and between customers are to be carried out through the online trading programme, which will be managed by the Central Bank of Myanmar.
2. This has to be done according to the following procedure:
 - (a) Banks shall send daily between 10:00 a.m. and 11:30 a.m. online to the Central Bank a list as per the attachment of dealings that are planned to be transacted between banks and customers, of companies that want to sell, and of companies that want to buy;
 - (b) when sending the list, lists shall be sent for both trade and non-trade transactions;
 - (c) concerning companies that want to sell, it shall be necessary to send and the bank shall be responsible for verifying particulars such as company name, business type, date on which the money entered the account, last date on which the money may be used, source of the income (export proceeds; exempted company; CMP; salary);
 - (d) concerning companies that want to buy, it shall be necessary to send and the bank shall be responsible for verifying particulars such as company name, business type, amount to be purchased, type of currency, reason for the purchase (if the purchase is for trade, the goods to be imported and their import license or ID [*import declaration*]; if the purchase is not for trade, the purpose of the purchase), bid rate, settlement date;
 - (e) the Central Bank of Myanmar will review the list of buyers and sellers and the lists of transactions to be carried out between banks and customers that the banks sent, and co-ordinate and decide such things as which company may do the transaction, the amount and the exchange rate;



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- (f) the Central Bank will reply on the transaction lists at the latest at 1:00 p.m.
 - (g) likewise, transactions which should be carried out T+1 and bank to bank sale and purchase dealings shall be initially submitted to the Central Bank's online trading programme and then processed on the Refinitiv platform;
 - (h) lists of daily transactions and the weighted average rate (WAR) will be announced on the website of the Central Bank of Myanmar.
3. The Central Bank of Myanmar will if necessary intervene in the foreign currency market by providing SWAP financing for important goods, selling and buying foreign currency, etc. AD licensed banks are notified that they shall comply with the instructions in paragraph 2 when dealing in foreign currency.

On behalf of the Governor
(Nwe Ni Tun, Director General)

[The following announcement was published on the Central Bank's website on 22 June 2023:]

Status of the transactions through the online trading programme in the foreign currency market

The Central Bank of Myanmar has been working to develop the foreign currency market between AD licensed banks and between AD licensed banks and their customers since 2013. Foreign currency trading between AD licensed banks is carried out on the Refinitiv platform, an international dealing platform. The Central Bank is making arrangements to enable online trading in foreign currency between AD licensed banks and customers.

Trading through an online trading programme between AD licensed banks and customers and among customers started on 22 June 2023, under the leadership of the Central Bank. Initially, 6 AD licensed banks participated, the transacted amount was USD 6.89 million in total, and the exchange rate was 2,920/2,922 kyats.

The Central Bank also handled USD swap financing and sales in an amount of USD 1.2 million.

Notice is given that, as the exchange rate traded in the online trading programme is the market price, the exchange rates displayed elsewhere (including social media) are illegal.



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Lincoln Legal Services (Myanmar) Limited provides the full range of legal and tax advisory and compliance work required by investors. We pride ourselves in offering result-oriented work, high dependability and a fast response time at very competitive prices. Please do not hesitate to contact us:

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