



BANGLADESH FOREIGN EXCHANGE DEALERS' ASSOCIATION

No.: BAFEDA-ABB/EXCHANGE RATE/2022/ 98

Date: 11.09.2022

Managing Director & CEO
All Authorized Dealers in
Foreign Exchange in Bangladesh

By Courier Service/ E-mail.
Attn.: Head of Treasury of banks

Fixation of Uniform USD/BDT Exchange Rates in Foreign Exchange Dealings

Dear Sir,

We would like to inform you that a joint meeting among the Executive Committee of Bangladesh Foreign Exchange Dealers' Association (BAFEDA), Board of Governors of Association of Bankers' Bangladesh (ABB) and the concerned Executives of Bangladesh Bank (BB) was held on 08.09.2022, which was chaired by the Deputy Governor-1. The meeting reviewed the present position of major economic indicators relating to foreign exchange transactions.

It may be mentioned that another meeting was held between the Executive Committee of BAFEDA and the Board of Governors of ABB on 11.09.2022, where the current position of the FX market and the movement of exchange rates were reviewed.

Considering the overall market situation and in order to bring stability to the FX market with a view to better serve the customers, the meeting held on 11.09.2022 unanimously decided to implement/apply henceforth the following USD/BDT uniform exchange rates by all ADs until further revision:

1. All export proceeds and all inward remittances (other than remittances from exchange houses) irrespective of ticket size will be bought by the banks at a fixed rate of Tk. 99.00 per US dollar.
2. All remittances from exchange houses and other similar entities including remittances from bank's own exchange houses will be bought by the banks at a rate not higher than Tk. 108.00 per US dollar. In other words, banks can offer maximum Tk. 108.00 per US dollar in case of such inward remittances. This will apply for conversion of all other currencies into US dollars as well.
3. In case of settling import bills and other outward remittances, banks will charge maximum Tk. 1.00 as 'spread' over the weighted average buying cost of above item no. 1 & 2 and, if, dollars bought from interbank (excluding dollars from central bank). This weighted average cost will be calculated on a 05 (five) days rolling average basis by each bank based on its actual cost.
4. It is expected that when all export proceeds and all inward remittances are bought at Tk. 99.00 per US dollar and dollars from exchange houses are bought at Tk. 108.00 per US dollar, and the selling rate is calculated on the weighted average cost of these two, an 'interbank rate' will eventually emerge around this weighted average cost line. Treasury Heads of all banks will report their weighted average cost to BAFEDA by 10 AM daily. BAFEDA will then calculate the average of all these rates submitted by the banks and post it on their website. This industry average rate will be the reference rate for revaluation purposes.
5. It is understood that the selling rates and interbank rates emerging out of the buying curve stated above are dynamic in nature (i.e., may change from day to day and bank to bank). However, the calculation method will be as stated above. Similarly, the buying rate from exchange houses are also dynamic in nature (i.e., it is expected to come down from maximum rate of Tk. 108.00 as demand for US dollar falls).
6. For sake of convenience and recognizing the extraordinary situation prevailing in the market, the arrangements noted herein avoids using standard terminologies like TT Clean, TT Doc, BC Selling, TT & OD outward etc for purpose of simplifying the buying and selling of dollars.
7. Credit cards payment settlement and Student File rates will be same as cash selling rates.
8. The above rates are to be mandatorily followed by all authorized dealer banks with effect from Monday, the 12th September 2022. Any deviation to the above by any bank will be viewed and dealt with strictly by the regulator.

We would request you to ensure the implementation of the above mentioned USD/BDT exchange rates with effect from 12.09.2022 and report the same under the existing online monitoring systems (Dash Board) until further revision/advice.

(Md. Afzal Karim)
Chairman-BAFEDA

Sincerely Yours,

(Selim R.F. Hussain)
Chairman -ABB

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