



**THE GOVERNOR**

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**Ref. No. FA.43/248/01/022**

**August 1, 2016**

**To: All Banks and Financial Institutions**

Dear Sir/Madam:

**REVIEW OF NET OPEN POSITION**

This is to inform all banks that following the review of the recent developments in the foreign exchange market, Bank of Tanzania has revised the foreign exchange Net Open Position (NOP) limit of banks.

Accordingly, the current NOP limit of five and half percent (5.5%) has been increased to seven and half percent (7.5%) of Core Capital. The increase takes effect from 1<sup>st</sup> September, 2016. This Circular supercedes the previous circular with Ref: FA.56/248/01 dated 30<sup>th</sup> April 2015.

All banks are reminded to ensure strict compliance with existing requirements of computation and reporting of the NOP and the revised limit. Please note that the limit may be subjected to further review by the Bank of Tanzania.

Sincerely,

Prof. Benno Ndulu  
**GOVERNOR**