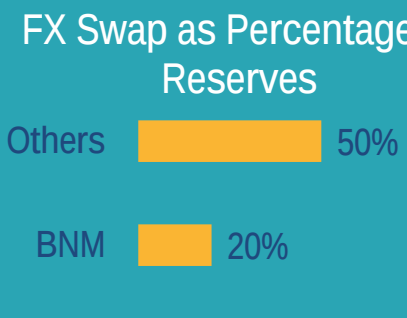
USE OF FX SWAP IN BNM MONETARY OPERATIONS

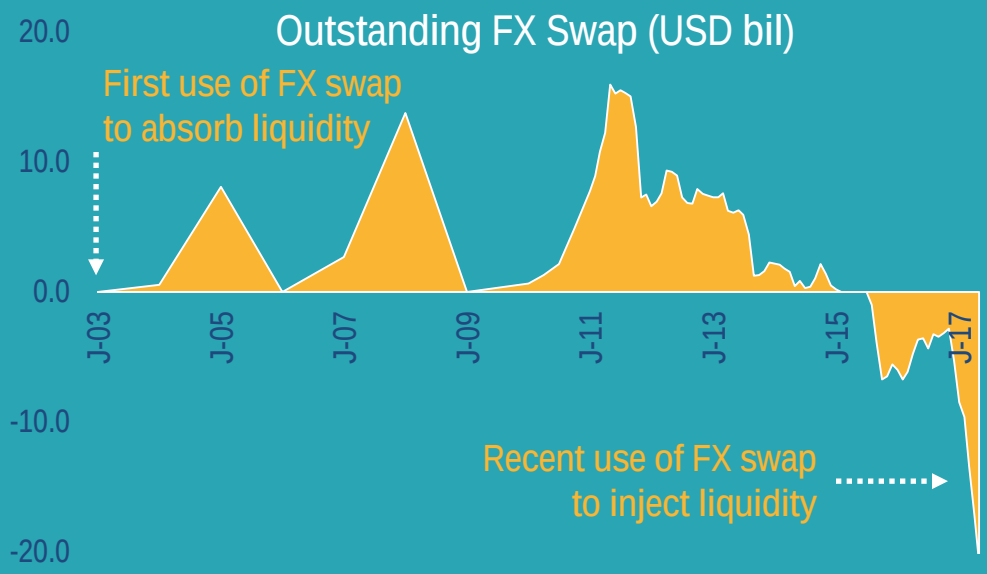
It is a widely used instrument among central banks to manage domestic currency liquidity



Other central banks FX swap position can be as high as 50% of their reserves

Our use of FX swap is currently less than 20% of reserves

FX swap is used for injecting liquidity as well as absorbing domestic liquidity



FX swap is not a new tool by BNM

BNM started using FX swap since 2003 to manage domestic liquidity

Usage Information on the usage of FX swap is published

- ✓ **Reported under International Monetary Fund's (IMF) Special Data Dissemination Standard (SDDS) table since 2003.**
- ✓ **Published on monthly basis on BNM website.**