



Press Release

MOVING TO THE SECOND PHASE OF THE FOREIGN EXCHANGE REFORM

Widening of the fluctuation band of the dirham to $\pm 5\%$

The Ministry of Economy, Finance and Administration Reform, after consulting Bank Al-Maghrib, has decided, to widen, starting from March 9, 2020, the fluctuation band of the dirham from $\pm 2.5\%$ to $\pm 5\%$ against the reference rate set by Bank Al-Maghrib on the basis of a basket of currencies composed of the euro (EUR) and the US dollar (USD) up to, respectively, 60% and 40%.

This widening is part of the ongoing foreign exchange rate reform process, which was initiated in January 2018, and occurs following the achievement of the objectives set for the first phase.

The second phase has been launched in a favorable domestic macroeconomic and financial context, marked, in particular, by an appropriate level of foreign exchange reserves, a subdued inflation, a sustainable public debt and a sound financial sector.

The reform of the foreign exchange rate regime, which is a voluntary, gradual and orderly multi-phased process, will strengthen the Moroccan economy's capacity to absorb external shocks, support its competitiveness and thus contribute to improving its growth.

Bank Al-Maghrib continues, in accordance with its statute, to monitor the proper functioning of the foreign exchange market and will intervene, when necessary, in this market to ensure its liquidity.