

**BANKI  
KUU YA  
KENYA**



**CENTRAL  
BANK OF  
KENYA**

**AUGUST 29, 2023**

Haile Selassie Avenue  
P.O. Box 60000 - 00200 Nairobi, Kenya  
Telephone: 2860000, Fax: 340192

**BANKING CIRCULAR NO. 7 OF 2023**

**TO: ALL CHIEF EXECUTIVE OFFICERS OF COMMERCIAL BANKS**

**CHANGES TO OPERATIONS IN THE INTERBANK FOREIGN EXCHANGE MARKET**

In order to streamline and improve operations in the foreign exchange interbank market, the Central Bank of Kenya hereby announces the following changes:

1. Limits on tenor for swaps are reviewed as follows:
  - i. The tenor of swaps and Kenya shilling borrowing where non-resident banks are involved is now limited to a tenor of not less than 6 months.
  - ii. There is no limit to the tenor of swaps between residents. This includes residents within the East Africa Community.
2. Use of Electronic Brokerage Systems is permitted.
3. Minimum amount that can be traded in the interbank market has been reviewed from USD 500,000 to USD 250,000.

These changes take effect immediately.

**DAVID LUUSA**

**DIRECTOR, FINANCIAL MARKETS DEPARTMENT**