



## **FOREIGN EXCHANGE MARKET**

The Central Bank of Kenya has in the past few days sold foreign currency into the interbank market to stem volatility in the foreign exchange market. We wish to reiterate that the Bank believes in allowing the market to determine the trading level of the local currency and only intervenes when there is excess volatility that prevents the market from functioning efficiently. Therefore, the Bank does not support a particular level or direction of the currency and only intervenes to enhance stability and the planning horizon for the market participants.

17<sup>th</sup> July, 2013