



STATE BANK OF PAKISTAN
FINANCE DEPARTMENT
I.I. CHUNDRIGAR ROAD
KARACHI

FD Circular Letter No. 01 /2017

March 20, 2017

The Presidents/Chief Executive Officers
All Banks / Microfinance Banks

Dear Sir/Madam,

SBP Currency Management Strategy – Interbank Exchange of Cash (IEC)

Reference FD Circular No. 03/2015 dated August 26, 2015 and FD Circular Letter No. 07/ 2016 dated December 30, 2016 on the captioned subject.

2. The title “Interbank Trading of Cash” in section D of FD Circular No. 03/2015 dated August 26, 2015 and other circulars on the subject shall be replaced with “Interbank Exchange of Cash”.
3. In addition to instructions contained at section-D of FD circular No. 3/2015 dated August 26, 2015, following shall also be applicable to execute interbank exchange of cash transactions:
 - a. A bank may offer, for interbank exchange, its cash processed and packed in accordance with the instructions contained in FD Circular No. 03/2015 dated August 26, 2015, Circular No. 02/ 2017 dated March 10, 2017 and other instructions issued from time to time.
 - b. The banks interested in taking cash or surrendering surplus cash in the interbank market may send their requests, to the relevant SBPBSC office through email¹, on the formats given in Annex-A and B respectively.
 - c. The requests so received by the SBPBSC offices shall be cleared on first-come-first-serve basis.
 - d. The demand of one bank may be fulfilled through one or more banks and vice versa; similarly, SBPBSC may adjust the value/denomination mix, where necessary.
 - e. SBPBSC office shall communicate the results of matching process, mapping out the requests of banks in need of cash with those with surplus cash. The bank in need of cash shall be responsible to arrange transportation of the cash through CIT or Security Company.
 - f. Concerned banks shall settle their accounts, against IEC transactions, either directly or through SBPBSC.
 - g. Any claim against remitting bank regarding shortage/counterfeit/soiled banknotes should be lodged within 60 days after receipt of remittance.

Please acknowledge receipt.

Yours faithfully,

-s.d-
(Saleemullah)
Director

¹ Email address given at annex-C