

PRESS RELEASE

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இலங்கை மத்திய வங்கி
CENTRAL BANK OF SRI LANKA

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Policy package to support greater macroeconomic stability: Allowing flexibility in the exchange rate

Considering the severity of the external shocks and recent developments in the domestic front, the Monetary Board of the Central Bank of Sri Lanka announced a comprehensive policy package on 04 March 2022 with the view to counter such economic headwinds. The Central Bank also indicated that it will continue to closely monitor the emerging macroeconomic and financial market developments, both globally and domestically, and will stand ready to take further measures as appropriate, with the aim of achieving stability in the fronts of inflation, the external sector, the financial sector, and real economic activity.

In that context, greater flexibility in the exchange rate will be allowed to the markets with immediate effect. The Central Bank is also of the view that forex transactions would take place at levels which are not more than Rs. 230 per US dollar.

The Central Bank will continue to closely monitor the developments in the domestic foreign exchange market and make appropriate policy adjustments accordingly.