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REPUBLIC OF BOTSWANA

MINISTRY OF FINANCE AND  
DEVELOPMENT PLANNING  
PRIVATE BAG 008  
GABORONE

## PRESS RELEASE

January 26, 2015

### Pula Exchange Rate

1. One of Botswana's exchange rate policy objectives is to maintain a stable and competitive real exchange rate of the Pula against a basket of international currencies. The Pula exchange rate is fixed to a basket of currencies comprising of the South African rand and the IMF's Special Drawing Rights (consisting of the US Dollar, the Euro, the British Pound, and the Japanese Yen). The weights of the basket have been 55 percent South African Rand and 45 percent SDR. The Pula basket has been crawling downward at the rate of 0.16 percent per annum in 2014.
2. Following consultation with the Bank of Botswana, pursuant to Section 21 of the Bank of Botswana Act, His Excellency the President has approved the Honourable Minister of Finance and Development Planning's recommendation to: **change the basket weights to 50 percent South African rand and 50 percent IMF Special Drawing Rights; and a zero rate of crawl for 2015.**
3. The changes are aimed at maintaining the stability of Real Effective Exchange Rate, which is critical for economic diversification and job creation.

S. M. Sekwakwa

PERMANENT SECRETARY