



BANK OF SOUTH SUDAN (BOSS) Office of the Governor

Press Release

The Bank of South Sudan Auction Supervisory Committee Reduces the Amount of Foreign Currency of Auction by 50 percent.

November 14th, 2022

The Bank of South Sudan Auction Supervisory Committee (ASC) unanimously decided to reduce the weekly foreign currency auction amounts to USD:3 million for commercial banks and USD: 2 million to forex bureaus down from USD: 6 million and 4 million dollars per week respectively.

This decision was based on the successful implementation of the new monetary policy instrument known as the Term Deposit facility (TDF) auction, which operate similar to currency auction. With the new instrument, the Bank of South Sudan auctions 8 billion SSP biweekly, which has significantly contributed to decline in growth of money supply to the desirable target of a single digit. The TDF is currently performing well and has become a key instrument in steering short-term market rates, management of excess liquidity, encouraging banks to focus on their mandate of financial intermediation, whereby promoting the culture of saving and provide credit to private sector to stimulate economic activities.

With respect to other macroeconomic indicators, inflation continues to moderate and the growth in broad money (M2) has stabilized around the policy target. M2 decreased by 2.6 per cent in the month of September 2022 on monthly basis compared to growth rate of 4.6 per cent in August 2022.

In the light of the above developments, the Bank of South Sudan is aware of the slight strengthening of the US dollar against all major currencies, including the South Sudan Pound (SSP), following the Federal Reserve Bank recent hike of its interest rates intended to cure unprecedented inflation in the US economy. We are also aware of the increased demand for forex by both business and individuals due to approaching of the Christmas and New Year's festive seasons. The Bank of South Sudan will keenly be monitoring this development and will continue to revise the amount of forex auction amount guided by the market forces to meet the foreign exchange demands by the business fraternity.



Hon, Johnny Ohisa Damian
Governor,
Bank of South Sudan

