



Central Bank of Nigeria

Banking Supervision Department

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BSD/DIR/PUB/LAB/017/003

March 14, 2024

LETTER TO ALL BANKS

RE: IMPACT OF RECENT FX POLICY REFORMS: PRUDENTIAL GUIDANCE TO THE BANKING SECTOR

Further to our letter dated September 11, 2023, referenced **BSD/DIR/CON/LAB/16/020** on the above subject, the Central Bank of Nigeria wishes to reiterate that banks are required to exercise utmost prudence and set aside FCY revaluation gains as a counter-cyclical buffer to cushion any adverse movements in the FX rate.

In this regard, banks shall not utilize such FX revaluation gains to pay dividends or meet operating expenses.

Please be guided accordingly.

Yours faithfully,

A handwritten signature in blue ink, appearing to read 'Adedeji', written over a horizontal line.

DR. ADETONA S. ADEDEJI

AG. DIRECTOR, BANKING SUPERVISION DEPARTMENT