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Norwegian and Danish krona – new currencies in the foreign exchange reserves

The Executive Board of the Riksbank has decided on a new financial risk and investment policy that sets out the general framework for the management of the gold and foreign exchange reserves. The new policy entails, for instance, including Norwegian and Danish krona in the foreign exchange reserves to better meet the Riksbank's contingency requirements for foreign exchange. The new policy will begin to apply on 1 January 2019.

Swedish banks currently have liquidity requirements in primarily US dollars, euros, British pounds and Norwegian and Danish krona. To ensure the foreign exchange reserves better reflect the currencies the Riksbank needs to hold for contingency purposes, the Executive Board has decided that with effect from next year the foreign exchange reserves will also include assets in Norwegian and Danish krona.

It is still very important that banks themselves have adequate liquidity reserves so that they can manage the risks they take in their operations. The Riksbank is therefore of the opinion that Finansinspektionen should set Liquidity Coverage Ratio (LCR) requirements for major Swedish banks in the banks' significant currencies.

On condition that the foreign exchange reserves meet the requirements for contingency planning entailed in the Riksbank's task, the Riksbank will also be able to take into account sustainability aspects and establish appropriate methods for including them in the management of the foreign exchange reserves.

The Riksbank, like most other central banks, has a gold and foreign exchange reserve. This enables the Riksbank to offer the banks loans, in a crisis situation, in foreign currencies. This can mitigate the effects of a financial crisis and prevent it from spreading to the society at large. The gold and foreign exchange reserves also give the Riksbank scope to intervene on the foreign exchange market for monetary and exchange rate policy purposes. They also allow the Riksbank to fulfil various international commitments, for instance to the IMF and other central banks.



The Executive Board of the Riksbank makes annual decisions on the regulatory framework for the management of the gold and foreign exchange reserves. The new financial risk and investment policy will begin to apply from 1 January 2019. The changes in the composition of the reserves will be made during the period January-March 2019.

The new financial risk and investment policy will replace the existing policies, the financial risk policy and the investment policy for the gold and foreign exchange reserves.