

Chronology of Exchange Rate Policy Changes and Related Events

October 1988. The Central Bank of Jordan (CBJ) stopped supplying funds to the foreign exchange market, effectively allowing the Jordanian dinar to float.

February 1989. Money changers closed. Exchange rate fixed to the U.S. dollar.

May 1989. Exchange rate linked to currencies in the SDR basket, but with weights reflecting each currency's relative importance in Jordan's international transactions.

July 1989. Introduction of a dual exchange rate regime. Import payments transactions at official rate quoted by CBJ; for other transactions, com-

mercial banks and financial institutions allowed to buy and sell foreign exchange at freely determined rates.

February 1990. Unification of the exchange rate system at the more depreciated commercial rate.

November 1992. Money changers and foreign exchange houses allowed to reopen.

February 1995. Jordan accepts obligations under Article VIII of the IMF's Articles of Agreement, thus removing restrictions on current account transactions.

October 1995. The dinar is pegged to the U.S. dollar "in order to impart greater transparency" to exchange rate policy.

July 1997. Liberalization of capital account transactions.

Note. Based on IMF program documents and CBJ Annual Reports.