

## ANNOUNCEMENT

January 6, 2002

### Foreign Exchange Committee Statement on Non-Deliverable Forward Transactions Involving the Argentine Peso

On January 6, 2002, Argentina enacted its Public Emergency and Exchange Rate Reform Law, announced a new foreign exchange policy, and indicated that its foreign exchange market should be open on January 9, 2002. The Committee expects Argentine authorities to issue clarifications of this policy that will contribute to greater certainty in the marketplace and enable market participants to value and settle outstanding non-deliverable forward (NDF) transactions involving the Argentine peso.

The Committee understands that the Emerging Markets Traders Association has consulted with its members and previously issued a recommendation that NDF valuations and settlements be deferred until January 9, 2002. Should the foreign exchange market not open as anticipated, the Committee recommends deferring further the valuation and settlement of outstanding NDF contracts for a reasonable time. Each market participant should consult its internal documentation and work with its counterparties to determine the most appropriate course of action.