## What are Special Drawing Rights?

IMF member countries can borrow money at favourable rates from the IMF's reserves in any of the currencies listed in the SDR basket. These include the US dollar, the euro, Japan's yen, and the British pound. The fund also issues its crisis loans — crucial for struggling economies like Greece — valued in SDRs. SDR inclusion of the yuan is expected to help China open up further to the global economy. The yuan's entry into the SDR basket takes effect on October 1, 2016.



USD Eu 41.73 per cent 30



Euro 30.93 per cent



Chinese yuan 10.92 per cent



Japanese yen 8.33 per cent



British pound 8.09 per cent

The value of the SDR is based on a weighted average of the currencies in the basket. With the inclusion of the yuan, the dollar's weight in the new basket will be at 41.73 per cent. The euro will be 30.93 per cent, the yuan 10.92 per cent, the yen 8.33 per cent, and the pound 8.09 per cent.