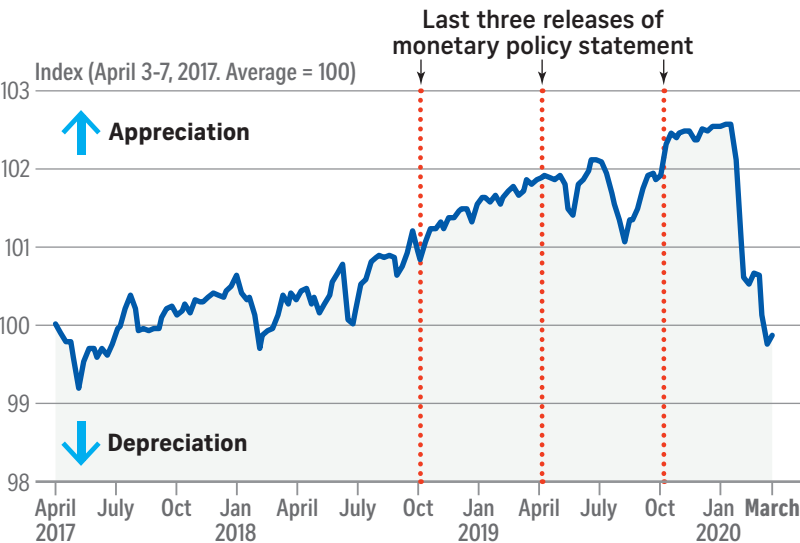


Singapore dollar nominal effective exchange rate (S\$Neer)

MAS now sets a zero appreciation path for the Singdollar – starting at the S\$Neer's prevailing lower level.



BASKET

- MAS manages the Singdollar against a basket of currencies of our major trading partners and rivals.
- This makes the Singdollar less volatile than if it were pegged to a single currency.



BAND

- MAS floats its managed Singdollar exchange rate within a policy band, rather than keeping it at a fixed rate.
- This keeps the exchange rate flexible.



REVIEW

- MAS reviews its policy band every six months – usually in April and October.
- It assesses the balance of risks to Singapore's growth and inflation to see if any changes need to be made.