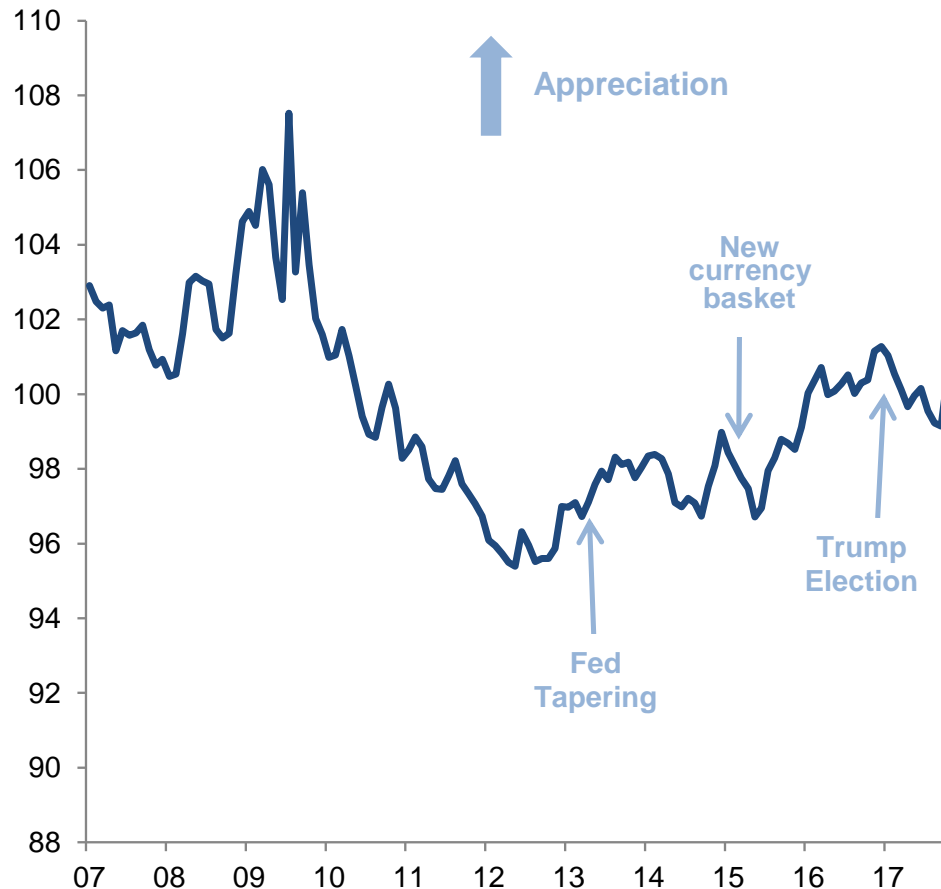


MAD about Stability: Morocco and Currency Flexibility

Moroccan Dirham (MAD): Real effective exchange rate*



The Moroccan Dirham **exchange rate** can now fluctuate daily within a wider band of 2.5% above or below the official rate. This move is welcome for two reasons:

- **Risk mitigation** due to a stronger incentive to use hedging instruments
- **Monetary policy autonomy** as the Dirham can depreciate when anchor currencies such as the Euro and US Dollar appreciate