

RECENT ECONOMIC CHANGES

Monthly currency devaluations

The fifth devaluation this year of Mozambique's currency, the metical, was announced by the Bank of Mozambique on 1 May. There are now 715 meticaïs to the U.S. dollar, up from 702, a devaluation of less than two per cent. During the first two years of Mozambique's Economic Recovery Programme, five large-scale devaluations altered the exchange rate from 40 meticaïs to the dollar in late 1986 to 620 meticaïs to the dollar at the end of 1988. This year there has been a devaluation once a month, but each has been relatively small, constituting a 10.9% devaluation in the metical since the beginning of 1989.

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