



BANK OF GHANA

NOTICE NO. BG/FMD/2026/07

REVISED DIRECTIVE ON NET OPEN POSITION LIMITS

This Notice is issued to revise and align the Net Open Position (NOP) directive with the current regulatory requirements governing the measurement, management and reporting of the NOP of Authorised Dealer Banks. Since the issuance of the last notice (BG/GOV/SEC/2012/13), substantive changes have occurred in the management and supervisory reporting standards relating to banks' NOP. Accordingly, the issuance of this Notice is necessary to ensure continued regulatory relevance, strengthen supervisory oversight, and formalize the implementation of the enhanced NOP reporting template.

COMPLIANCE

1. The Net Open Position (NOP) limits¹ are as follows:
 - a. The Single Currency Position limit for each currency shall range from 0% to -10% of Net Own Funds (NOF). **Banks shall not hold long positions in GBP, EUR and Other Currencies².**
 - b. The Aggregate Net Open Position limit shall not exceed 20% of NOF.
2. Daily changes in NOP, excluding contingent liabilities, shall be fully reconciled with the net foreign exchange trade for the reporting day, calculated as total FX purchases less total FX sales.
3. All banks shall continue to submit the Daily Bank Returns (DBK). Reports for each working day shall be submitted no later than 10:00 a.m. on the following business day.
4. Daily Bank Returns shall be submitted exclusively through the ORASS platform which serves as the official reporting channel. Email submissions shall be accepted only in the event of ORASS system downtime. In such cases, banks shall ensure that the relevant reports are uploaded to ORASS once system functionality is restored for the submission to be deemed complete.

¹ The NOP limits are subject to change depending on market dynamics and the objective of the Bank of Ghana

² Other Currencies refers to all other foreign currencies apart from USD, GBP and EUR



NET OPEN POSITION LIMIT & COMPUTATION DETAILS

Authorised Dealer Banks shall restrict their Net Open Position (NOP) to the limits and conditions set out below:

- i. The single currency position at the close of business on any day shall be either a squared (0%) or a short position not exceeding 10% of NOF for each currency.
- ii. The aggregate (overall) FX position, at the close of business on any day should not exceed 20% of of the bank's NOF in respect of short positions.
- iii. Daily movements in the Net Open Position, excluding contingent liabilities, **shall** be fully explained by the net foreign exchange trades reported in DBK 400, DBK 700, and DBK 300. Any material change in the NOP that is not adequately explained in the returns **shall** be deemed misreporting and **shall** attract sanctions in accordance with Sections 41(4) and 76(1) of the Banks and Specialized Deposit – Taking Institutions Act, 2016 (Act 930).
- iv. Letters of Credit (LCs) established in relation to oil shall not be included in the computation of NOP.
- v. Only non-oil LCs maturing within two (2) days³ shall be included in the computation of NOP.
- vi. Other contingent exposures (such as Guarantees, Performance Bonds, etc) that have a high probability of being triggered shall be included in the computation of the NOP . The determination of a high probability of trigger shall be made by the bank and shall be backed by verifiable, credible and consistent data and/or information which shall be provided to the Bank of Ghana upon request
- vii. All contingents including LCs (Oil and Non-Oil) must be reported in DBK 102.
- viii. Where a bank enters into transactions involving partial margins denominated in foreign currency, and such margins are in the same currency as the underlying Letter of Credit or contingent exposure, **only the net exposure**, being the difference between the face value of the Letter of Credit and the foreign currency margin, **shall** be included in the computation of the Net Open Position

³ This includes LCs maturing at T+1 and T+2



- ix. Margins provided in Ghana cedis (GHS) shall not be considered as a deductible from the contingent exposure unless the transaction is contractually tied to an FX forward sale to the client which matures on or before the LC maturity date.
- x. Where there is a syndication to lower the exposure on the LC, only the bank's retained share of exposure shall be considered in the NOP computation.

NET OPEN POSITION COMPUTATION

- Net Open Position = Net Assets + Net Trading Position (FX Outstanding trade contracts) – Liabilities on Contingents
- NOP in foreign currency shall be converted into GHS using the end-of-day market exchange rate published by the Bank of Ghana.
- The NOP GHS amount shall be divided by the Net Own Funds to obtain the NOP as a percentage (%).
- The NOP percentage (%) of the bank shall be compared to the single currency and aggregate NOP limits to determine regulatory compliance.
- Aggregate NOP shall continue to be computed based on the “short-hand” method as outlined below:
 - a. Convert the various positions into GHS using the prevailing end-of-day market exchange rate
 - b. Add all long positions and all short positions separately.
 - c. Divide the greater of the long position and absolute value of the short position by the NOF. The percentage becomes the Aggregate NOP (%)

PENALTIES

Banks shall ensure that reports are complete, accurate and submitted within the prescribed timelines. Any inaccurate, incomplete, delayed submissions and/or non-submission of reports shall attract sanctions as provided in Section 93 (3) and Section 41 (4) of Act 930 as well as any other applicable laws and regulations.

(SGD.)

AIMEE VYDA QUASHIE (MS.)
AG. SECRETARY

10TH FEBRUARY, 2026