

**EXECUTION COMMITTEE**  
**ACT NUMBER 55-2005**

Session 55-2005 celebrated in the *Banco de Guatemala* building on Thursday, October twenty-ninth, two thousand five, at eight hours and thirty minutes.

The coordinator, with the corresponding quorum, for the consideration of the Execution Committee submitted the project for the order of the day.

**ONLY POINT:** Evaluation of the participation of the *Banco de Guatemala* in the exchange market.

Not having any observations, the Committee approved the Order of the Day.

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The Committee analyzed the behavior of the Exchange rate and taking into consideration the given arguments within the session of the honorable Monetary Board in its Session 46-2005 of October 26 of this year, considered it convenient that, after the agreement adopted by the Committee in its Session 53-2005, would redefine the participation mechanism of the *Banco de Guatemala* in the exchange market, therefore, after the ample deliberations, agreed, based on the information obtained through the appropriate channels, the bank should participate in the exchange market when the exchange rate experiments excessive volatility and its quote in the market exceeds the values of the mobile average in the last five work days of the reference exchange rate minus a fluctuation margin of 0.5%, having an initial position of the purchase of foreign currency in the Electronic System of Foreign Currency Negotiation –SINEDI- for US\$10.0 million at the price that is the lowest among the current reference rates for purchase for that day, the mobile average of the last five work days of the reference rate (sum of the types of rates for sale and purchase divided by two) minus a margin of fluctuation of 0.5%; and the average of the closing exchange rates of the previous day, reported by the institutions that constitute the Foreign Currency Institutional Market, in operations

greater than US\$50.0 thousand, as long as said price is lower than the price of the last purchase made by the *Banco de Guatemala* in the SINEDI; in the case that the initial position were exhausted a new position for US\$10.0 million at Q0.0001 under the price of the first position and so on until the market requirements are satisfied. When counting on the information of the average of open exchange rates for that day the operations greater than US\$50.0 thousand, reported by the institutions that constitute the Foreign Currency Institutional Market, the Central Bank will verify if it is lower than the current position price, in which case said average will be the new price of the purchase position, as long as said price is not lower than the price of the last purchase made by the *Banco de Guatemala* in the SINEDI.

The session ended at nine hours all that attended signed in agreement.