

Venezuelans Free to Buy Dollars at Market Rate



Caracas, February 20 (RHC-EFE) – On Thursday, Venezuela inaugurated a new mechanism that allows citizens to buy dollars in cash at market-determined rates for the first time since 2003.

The Central Bank's role in the Marginal Currency System, known by the Spanish acronym Simadi, will be limited to reporting the exchange rate that emerges from each day's trading, Venezuela's chief securities regulator, Ricardo Montilla, told state television.

The Central Bank invited exchange houses and commercial banks to a dollar auction on Wednesday, setting \$50,000 as the minimum purchase and \$500,000 as the maximum.

Individual Venezuelans taking part in the Simadi system are limited to acquiring \$300 a day, \$2,000 over the course of a month and \$10,000 within a calendar year.

Venezuela's government instituted exchange controls in 2003 following an opposition-led general strike that inflicted considerable damage on the economy. Business leaders friendly to the government suggest Simadi will eventually eliminate black-market currency trading.



Radio Habana Cuba