

Metadata - Interbank foreign exchange market

1. General

Name

Interbank foreign exchange market.

Supervisor of statistics

Central Bank of Iceland, IT & Statistics.

Purpose

Data are collected with the purpose of monitoring turnover in the interbank foreign exchange (forex) market and the Central Bank's intervention in that market.

Sources

Interbank market agents report daily to the Central Bank of Iceland on their foreign currency transactions in the interbank market.

Regulatory authority

The regulatory authority for data collection can be found in the [Central Bank of Iceland Rules on the Foreign Exchange Market](#), no. 1098 of 3 December 2008, set on the basis of article 32 in chapter IX of the [Act on the Central Bank of Iceland](#), no. 92/2019, and article 8 of the [Foreign Exchange Act](#), no. 87/1992.

2. Terms and definitions

Concepts and definitions

Interbank foreign exchange

The exchange rate of the Icelandic króna is determined in the foreign exchange market. The Central Bank and the financial companies that act as market makers are entitled to participate in the foreign exchange market. Parties with an unrestricted license to act as intermediaries in foreign exchange transactions and buy and sell foreign currency pursuant to Article 8 of the Foreign Exchange Act, no. 87/1992, and Article 9 of Regulation no. 679/1994 can become market makers. The interbank foreign exchange market is open on business days between 9:15 hrs. and 16:00 hrs. The establishment and development of the Icelandic foreign exchange market is described in the [August 2001 issue of the Central Bank's Monetary Bulletin](#).

Total turnover

Total turnover is the sum of foreign exchange sales by all agents in the interbank foreign exchange market, including the Central Bank.

Net purchases of the Central Bank

Net purchases of the Central Bank are foreign exchange purchases less foreign exchange sales by the Central Bank in the interbank market.

Exchange rate

The Central Bank fixes the official exchange rate of the króna against specific foreign currencies with reference to market makers' quotes on business days at 10:45 hrs. The reports are published on the Central Bank [website](#) at around 11:00 hrs.

3. Integrity

Interbank market agents report daily to the Central Bank on their foreign currency transactions; therefore, total purchases should equal total sales in the interbank market at any given time.

4. Revision of data

Data are revised if a reporter corrects previously submitted data and provides explanations for such corrections. Revised data are labelled as such until the following release date.

5. Publication

Daily transactions on the interbank forex market are published on the [Central Bank's Statistics pages](#) with a two-day time lag. Monthly data are available from January 2000 and daily data from January 1999. Monthly reports of the transactions are published on the Central Bank website according to a release calendar.

6. Other info – Interbank agents

Current interbank agents other than Central Bank of Iceland are:

- Arion banki hf.
- Íslandsbanki hf.
- Landbankinn hf.