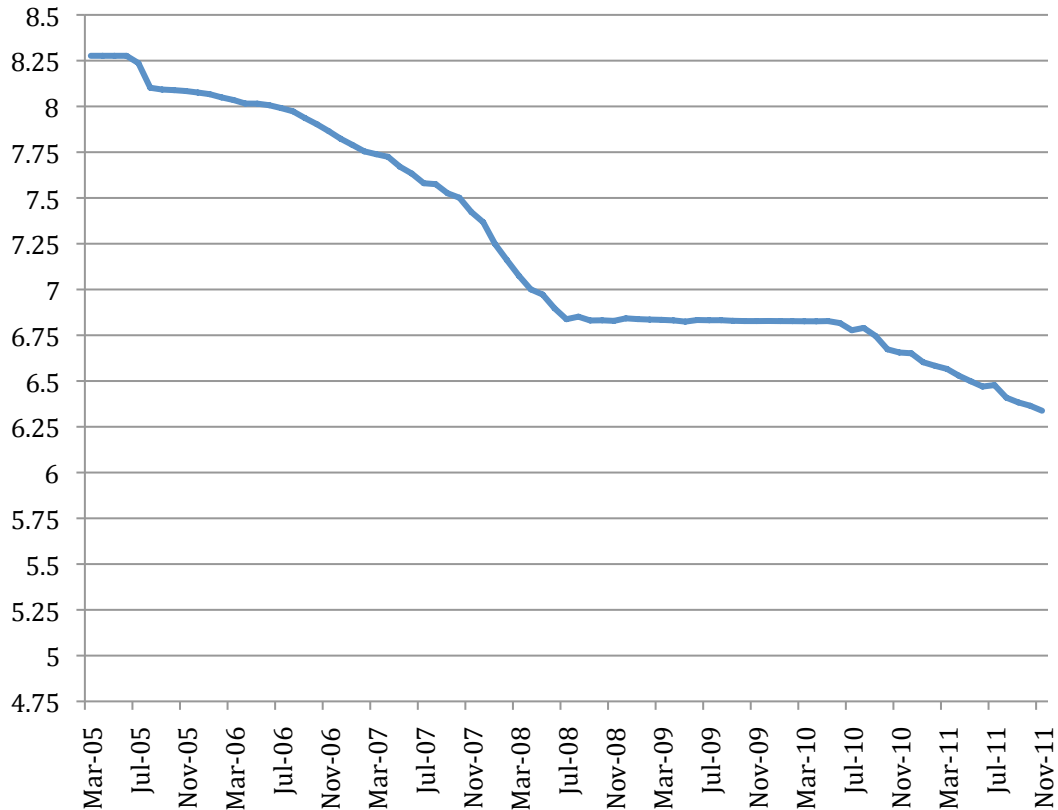


Chinese RMB per U.S. Dollar

Monthly, June 2005 - Present



Source: People's Bank of China

- After more than ten years of an unvarying peg to the dollar, China revalued the RMB by 2.1 percent in July 2005, raising the exchange rate to 8.11 from 8.28 to the dollar.
- By a gradual process of appreciation, the exchange rate rose to 6.83 in July 2008, a rise of about 16 percent in nominal terms. The rate of appreciation was particularly strong in the nine months prior to the start of the 2008 Summer Olympics in Beijing.
- From July 2008 until June 2010, the exchange rate moved within a narrow band, resulting in no significant net change in the dollar value of the RMB.
- Starting on June 21, 2010, the RMB was again allowed to appreciate. Daily adjustments are small and can go in either direction. After 17 months, the cumulative appreciation is almost 7 percent in nominal terms.

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November 23, 2011