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China lifts FX reserve ratio to 6% to cool yuan’s 5% rally

The PBOC is draining dollar liquidity from banks to slow the yuan’s sharp rise. It is the first increase in this ratio in nearly five years.

By **Manasee Kurlekar** | November 4, 2026



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The PBOC will raise the foreign-exchange reserve requirement ratio by 2 percentage points to 6% from 4%, effective 15 Nov.

The yuan had gained more than 5% against the dollar this year on strong exports and corporate conversion flows.

The move snapped a 13-session onshore yuan winning streak, its longest since 1996. It reverses the ratio cuts of 2022–23, made when the yuan was weakening.

Read online: https://worldbusinesswatch.com/news/30/367/china-lifts-fx-reserve-ratio-to-6-to-cool-yuans-5-rally.html
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