

Volume 31, Issue 4**Research Announcement****Impact of remittances on the real effective exchange rate of tajikistan's national currency**

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Abstract

This paper investigates the impact of remittance inflows on the real effective exchange rate of Tajikistan's national currency. The study reveals that money transfers significantly influence appreciation of the country's real effective exchange rate. Tajikistan has a small and open economy with the highest proportion of remittance inflows to its GDP. Huge remittances have led to appreciation of its real exchange rate, stimulation of imports, decrease of competitiveness of the domestic economy, and further economic dependence on money transfers from emigrants.

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