

PRESS RELEASE ON REQUIRED RESERVES

At its meetings of 23 August 2011 and 20 September 2011, the Monetary Policy Committee (the Committee) stated that given the uncertainties regarding the global economy, it was important to monitor all developments closely, and to take the required policy measures in a timely manner. In line with the remarks made at the Committee meeting of 20 September 2011 pertaining to recent data and news on the global economic activity, the required reserve ratios for certain Turkish lira liabilities are decided to be reduced with a view to meeting the TL liquidity requirement of the Turkish banking system permanently and at a lower cost.

The reductions were also designed to encourage the lengthening of the maturities of the Turkish lira liabilities other than the deposit/participation funds (particularly those of TL-denominated bonds that started to be issued by banks) in order to reinforce financial stability in the medium and long run. The current and new ratios of required reserves are as follows:

TL Liabilities	Current Ratios (%)	New Ratios (%)
Demand deposits, notice deposits and private current accounts	16	16
Deposits/participation accounts up to 1-month maturity (including 1-month)	16	16
Deposits/participation accounts up to 3-month maturity (including 3-month)	13	12.5
Deposits/participation accounts up to 6-month maturity (including 6-month)	9	9
Deposits/participation accounts up to 1-year maturity	6	6
Deposits/participation accounts with 1-year and longer maturity and cumulative deposits/participation accounts	5	5
Other TL liabilities up to 1-year maturity (including 1-year)	13	11
Other TL liabilities up to 3-year maturity (including 3-year)	13	8
Other TL liabilities longer than 3-year maturity	13	5

This revision will be effective as of the calculation period dated 30 September 2011 and required reserves calculated using the new ratios will start to be maintained as of 14 October 2011. Thus, the currently available data suggests that approximately 3.2 billion Turkish lira will be supplied to the market and the weighted average TL required reserve ratio, which is 13.1 percent will come down to 12.5 percent.