

THE CBRT PRESS RELEASE

A) FOREIGN EXCHANGE BUYING AUCTION PROGRAM FOR APRIL 2004

Considering that strong reserve position would boost the market's confidence in the current program and observing the excess foreign exchange supply, the Central Bank of Turkey (CBRT) continued with its daily foreign exchange buying auctions in March 2004 as well, which had started on 23 January 2004. The CBRT bought USD 1.418 million in total during the 23 auctions held in March. Therefore, the CBRT proceeded to buy the entire amount of auctions excluding the optional selling of USD 40 million at the auctions realized in March. The daily average optional selling amounted to USD 21,6 million. The CBRT bought USD 3.792 million in total through foreign exchange buying auctions and direct interventions in the period of January-March 2004.

With the expectation that the excess foreign exchange supply observed in March would continue to grow in April, the CBRT has decided to announce a daily foreign exchange buying auction program for April 2004 as well. The CBRT has planned to conduct daily foreign exchange buying auction and optional selling in the amount of USD 50 million for each. Therefore, the maximum daily auction can amount to USD 100 million. Accordingly, foreign exchange buying auctions are to be held on 21 working days in April, and it is planned that the maximum amount to be bought would be USD 2.100 million. In the event of any unforeseen developments in the excess foreign exchange supply in April, changes may occur in the amounts of daily auction and/or optional selling with a prior notice.

As was announced by previous press releases, the CBRT may, with a prior notice, suspend the auctions before the end of the period in the cases where the depth of foreign exchange market is lost, and excessive volatility is observed in exchange rates due to an exogenous shock or unpredictable developments. As usual, the CBRT will continue to closely monitor the volatility in exchange rates and will directly intervene in the markets in the event of an excessive volatility that might occur in either directions.

B) TURKISH LIRA DEPOSIT BUYING AUCTIONS PROGRAM FOR

APRIL 2004

The Central Bank will continue to hold Turkish lira deposit buying auctions with a standard two and four-week maturity in April 2004 as well, as a supplement to its existing instruments with the aim of enhancing the effectiveness of its efforts to sterilize the excess Turkish lira liquidity in the system.

As in March 2004, the Turkish lira deposit buying auctions with a standard two-week maturity will be held on Mondays, and those with a standard four-week maturity will be held on Wednesdays and Fridays in April 2004. There will be no upper limit at each auction.

Moreover, the maturity date of the auction to be held on 21 April 2004 will be 20 May 2004, owing to the commemoration of Atatürk and Youth and Sports Day on 19 May.