

28 December 2011

PRESS RELEASE ON OPEN MARKET OPERATIONS

In addition to the daily one-week repo auctions, the Central Bank of the Republic of Turkey (CBRT) will start holding one-month (4 weeks) repo auctions every Friday. The one-month repo auctions will be held in traditional auction method and each institution's total bid amount will be limited by the announced auction amount.

The CBRT will announce the amount of one-month repo auction on Reuters' "CBTF" page at 10:00 a.m. on Fridays. Auctions will be held at 11:00 a.m. on regular business days, at 10:30 a.m. on half business days, and the utmost care will be taken to announce the results on Reuters' "CBTG" page within 30 minutes. Institutions are required to notify the CBRT of the securities against their repo operations until 12:00 p.m. on business days, until 11:30 a.m. on half business days, and fulfill their obligations regarding open market operations until 4:45 p.m. on business days, 12:30 p.m. on half business days.

The aforementioned auctions will commence on December 30th, 2011. In order to enhance banks' long-term liquidity foresight, the planned upper limits for the total funding through one-month repo auctions and for the auction amount to be announced for each auction will be posted on Reuters "CBTF" page.

For the period of 30 December 2011 - 26 January 2012, the upper limits have been set as 12.0 billion Turkish lira for the total funding through one-month auctions and 3.0 billion Turkish lira for each week's auction to be held in the said period.

Under extraordinary circumstances due to a significant unexpected change in liquidity conditions, the CBRT may raise the amount of funding above the preannounced maximum or may as well hold no auction.