

PRESS RELEASE ON REQUIRED RESERVES

Central Bank of the Republic of Turkey reduced FX required reserve ratio by 2 percentage points from 11 percent to 9 percent on 5 December 2008 in addition to other measures taken to alleviate the impact on the domestic economy of the global financial crisis that started to deepen in October 2008. By this reduction in the FX required reserve ratio, additional foreign currency liquidity was provided to the banking system.

In its press release of April 14, 2010 on the monetary policy exit strategies, CBRT announced that the measures related to foreign exchange liquidity would be taken to the pre-crisis levels gradually and at a controlled pace. In this context, the FX required reserve ratio was increased by 0.5 percentage point on April 26, 2010 and approximately USD 693.3 million of foreign currency liquidity was drawn from the market.

In the context of monetary policy exit strategies, by taking the recent credit developments into consideration, this time the FX required reserve ratio has been increased by 0.5 percentage point from the current level of 9,5 percent to 10 percent. By this increase in the FX required reserve ratio, approximately USD 719.6 million of foreign currency liquidity will be drawn from the market.