

9 November 2005

PRESS RELEASE
ON
CBRT INTEREST RATES

1. The Central Bank of Turkey (CBRT) has decided to cut short-term interest rates applied at the CBRT Interbank Money Market and at the Istanbul Stock Exchange Repo-Reverse Repo Market starting from **9 November 2005** as follows:

a) Overnight Interest Rates: The borrowing interest rate is lowered to **13.75 percent** from 14 percent, and the lending interest rate to **17.75 percent** from 18 percent.

b) Other Maturities: The one-week borrowing interest rate is lowered to **13.75 percent** from 14 percent.

c) Late Liquidity Window Interest Rates: Within the framework of the Late Liquidity Window Facility, the CBRT overnight lending interest rate applicable between 16:00 – 16:30 hours at Interbank Money Market is lowered to **21.75 percent** from 22 percent. Borrowing interest rate of 5 percent remains the same.

d) The interest rates applicable to overnight and one-week maturity borrowing facilities provided for primary dealer banks via repo transactions within the framework of open market transactions are lowered to **15.75 percent** from 16 percent.

2. The report entitled “Inflation and Outlook” explaining the rationale of the above-mentioned decision will be published **within two working days**, by also taking into account the evaluations made at the Monetary Policy Board meeting held on 8 November 2005.