

PRESS RELEASE

6 November 2017

Press Release on Reserve Requirements

In the recent period, the markets have witnessed unsound price formations that are inconsistent with economic fundamentals.

Taking this development into account, with a view to supporting price stability and financial stability, the upper limit and the tranches for the FX maintenance facility within the reserve options mechanism have been revised.

Accordingly, the upper limit for the FX maintenance facility has been lowered to 55 percent from 60 percent and all tranches have been reduced by 5 points.

Current FX Facility Tranches (%)	New FX Facility Tranches (%)	Reserve Option Coefficients
0-30	0-25	1.0
30-35	25-30	1.4
35-40	30-35	1.7
40-45	35-40	2.1
45-50	40-45	2.5
50-55	45-50	2.9
55-56	50-51	3.7
56-57	51-52	3.9
57-58	52-53	4.1
58-59	53-54	4.3
59-60	54-55	4.5

With this revision, approximately 5.3 billion Turkish liras of liquidity will be withdrawn from the market and approximately 1.4 billion US dollars of liquidity will be provided to banks.

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