

PRESS RELEASE

10 January 2016

Press Release on the Collateral Requirements

As stated in the paragraph 20 of the Monetary and Exchange Rate Policy for 2016 document published on December 9th 2015, *“The increase in the ratio of the FX collateral that can be pledged by banks within the CBRT against their borrowings from the CBRT Interbank Money Market is expected to boost the demand for FX-denominated bonds issued abroad by the Treasury. This arrangement is expected to play a stabilizing role against the stress likely to be experienced in credit risk pricing due to global factors.”*

Accordingly, the maximum ratio of 50 percent that banks are able to pledge as FX denominated collateral against their borrowings at the CBRT Interbank Money Market are raised to 70 percent as of 13 January 2016.

This ratio will be calibrated further, when deemed necessary, based on future developments in the global market conditions.

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