

Press Release on Reserve Requirements

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In line with its main objective of price stability, the Central Bank of the Republic of Turkey revised the reserve requirement regulation to improve the effectiveness of monetary transmission mechanism.

The upper limits of the facilities for holding FX and standard gold for Turkish lira reserve requirements were gradually decreased through the steps taken before, and the facility for holding FX for Turkish lira reserve requirements was terminated on 1 October 2021.

This time, the upper limit of the facility for holding standard gold for Turkish lira reserve requirements has been decreased from 15% to 10%. This facility will be gradually decreased and terminated.

In addition, the reserve requirement ratios for FX deposits/participation funds have been increased by 200 basis points for all maturity brackets.

With these decisions, TL-denominated required reserves are expected to increase by approximately TRY 7.4 billion, and foreign currency required reserves are expected to increase by an equivalent of approximately USD 3.8 billion.

These changes will be effective from the calculation date of 28 October 2021 with the maintenance period starting on 12 November 2021.

Contact

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