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PRESS RELEASE
ON THE FOREIGN EXCHANGE INTERVENTION
OF THE CENTRAL BANK

The Central Bank of Turkey has announced through several press releases that under the floating exchange rate regime the level of exchange rate is determined by supply and demand conditions in the currency markets, and that the Central Bank closely monitors the volatility in the exchange rate, and may directly intervene in the markets in the event of an excessive volatility that might occur in either directions.

In this framework, the Central Bank has directly intervened in the markets today by buying foreign currency in order to prevent the current and expected excessive volatility in exchange rates arising from the start of Turkey's EU accession negotiation process.